



POWER FINANCE CORPORATION LIMITED
(A Government of India undertaking)

Our Company was incorporated as Power Finance Corporation Limited, on July 16, 1986 as a public limited company under the erstwhile Companies Act, 1956, and was granted a certificate of incorporation by the Registrar of Companies, NCT of Delhi & Haryana, and was granted a certificate of commencement of business dated December 31, 1987. For further details, please refer to the section "History and Certain Corporate Matters" on page 129 of the Shelf Prospectus.

Corporate Identification Number: L65910DL1986GOI024862.
Registered Office and Corporate Office: Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi 110 001.
Website: www.pfcindia.com

Telephone: +91 11 2345 6000; **Facsimile:** +91 11 2341 2545; **E-mail:** publicissue20@pfcindia.com

Company Secretary and Compliance Officer of the Company: Mr. Manohar Balwani, Company Secretary; **Telephone:** +91 11 2345 6293

PUBLIC ISSUE BY POWER FINANCE CORPORATION LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH, ("NCDs"), FOR AN AMOUNT OF ₹ 500 CRORE ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 4500 CRORES AGGREGATING UP TO ₹ 5,00,00,000 NCDs AMOUNTING TO ₹ 5000 CRORES ("TRANCHE I ISSUE LIMIT") (THE "TRANCHE I ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹10,000 CRORE ("SHELF LIMIT") AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED JANUARY 11, 2021 CONTAINING, INTER ALIA, THE TERMS AND CONDITIONS OF THIS TRANCHE I ISSUE ("TRANCHE I PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED JANUARY 11, 2021 ("SHELF PROSPECTUS") FILED WITH THE ROC, BSE, AND SEBI. THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS CONSTITUTE THE PROSPECTUS ("PROSPECTUS"). THIS TRANCHE I ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATION, 2008 AND COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, AS AMENDED.

OUR PROMOTER

The President of India, acting through and represented by Ministry of Power, Government of India. For further details of our Promoter, please see "Our Promoter" on page 149 of the Shelf Prospectus.

GENERAL RISKS

Investors are advised to read the Risk Factors carefully before taking an investment decision in relation to this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. Specific attention of the investors is invited to the section titled "Risk Factors" on page 15 of the Shelf Prospectus and "Material Developments" on page 30 of this Tranche I Prospectus. This document has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Ministry of Power or any registrar of companies or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Tranche I Prospectus read together with the Shelf Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in the Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Tranche I Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The NCDs proposed to be issued under the Issue have been rated 'CARE AAA; Stable' by CARE Ratings Limited ("CARE"); 'CRISIL AAA / Stable' by CRISIL Limited ("CRISIL"); and '[ICRA]AAA(Stable)' by ICRA Limited ("ICRA"), for an amount of up to ₹ 98,000 crore vide their letters dated January 07, 2021, January 08, 2021 and January 06, 2021, respectively. Instruments with these ratings are considered to have the highest degree of safety regarding timely servicing of financial obligations and such instruments carry lowest credit risk. The ratings provided by CARE, ICRA and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold the NCDs and investors should take their own decisions. For further details, please see Annexure A for the rating letters and the rationale for the above ratings.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated December 31, 2020 was filed with the BSE, and pursuant to the provisions of the SEBI Debt Regulations, was kept open for public comments for a period of seven Working Days till January 07, 2021 (i.e. until 5 p.m.). No comments were received on the Draft Shelf Prospectus until 5 p.m. on January 07, 2021.

LISTING

The NCDs offered through this Tranche I Prospectus are proposed to be listed on the BSE. Our Company has obtained 'in-principle' approval for the Issue from BSE vide its letter no. DCS/BM/PI-BOND/012/20-21 dated January 07, 2021. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

COUPON RATE, COUPON PAYMENT FREQUENCY, MATURITY DATE, MATURITY AMOUNT AND ELIGIBLE INVESTORS

For details pertaining to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the NCDs and Eligible Investors of the NCDs, see "Issue Related Information" beginning on page 31 of this Tranche I Prospectus.

LEAD MANAGERS TO THE ISSUE

<p>TRUST INVESTMENT ADVISORS PRIVATE LIMITED 109/110, Balarama, Bandra Kurla Complex, Bandra (E) Mumbai 400 051 Maharashtra, India. Telephone: +91 22 40845000 Facsimile: +91 22 40845066 Email: trust.pfc2020@trustgroup.in Investor Grievance E-mail: customercare@trustgroup.in Website: www.trustgroup.in Contact person: Ms. Hetal Sonpal Compliance Officer: Mr. Ankur Jain SEBI Registration No.: INM000011120</p>	<p>A. K. CAPITAL SERVICES LIMITED 30-38, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021 Maharashtra, India Telephone: +91 22 6754 6500 / +91 22 6634 9300 Facsimile: +91 22 6610 0594 Email: pfcncd2020@akgroup.co.in Investor Grievance E-mail: investor.grievance@akgroup.co.in Website: www.akgroup.co.in Contact person: Ms. Aanchal Wagle / Mr. Lokesh Shah Compliance Officer: Mr. Tejas Davda SEBI Registration No.: INM000010411</p>	<p>EDELWEISS FINANCIAL SERVICES LIMITED Edelweiss House, Off. C.S.T Road, Kalina, Mumbai 400 098 Maharashtra, India Telephone: +91 22 4086 3535 Facsimile: +91 22 4086 3610 Email: pfcbond2019@edelweissfin.com Investor Grievance E-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact person: Mr. Lokesh Singhi Compliance Officer: Mr. B. Renganathan SEBI Registration No.: INM000010650</p>	<p>JM FINANCIAL LIMITED 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Maharashtra, India Telephone: +91 22 6630 3030 Facsimile: +91 22 6630 3330 Email: PFC.bondissue2020@jmf.com Investor Grievance E-mail: grievance.ibd@jmf.com Website: www.jmf.com Contact person: Ms. Prachee Dhuri Compliance Officer: Mr. Sunny Shah SEBI Registration No.: INM000010361</p>

REGISTRAR TO THE ISSUE

<p>KFIN TECHNOLOGIES PRIVATE LIMITED (FORMERLY KNOWN AS KARVY FINTECH PRIVATE LIMITED) Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddy, Telangana 500 032 Telephone: +91 40 6716 2222 Facsimile: +91 40 2343 1551 Email: pfc.ncd2020@kfintech.com Investor Grievance Email: einward.ris@kfintech.com Website: www.kfintech.com Contact Person: Mr. M. Murali Krishna SEBI Registration No.: INR000000221</p>

DEBENTURE TRUSTEE*

<p>BEACON TRUSTEESHIP LIMITED 4 C&D, Siddhivinayak Chambers, opp. MIG Cricket Club Bandra (East), Mumbai 400 051 Telephone: +91 22 2655 8759 Email: compliance@beacontrustee.co.in Investor Grievance Email: investorgrievances@beacontrustee.co.in Website: www.beacontrustee.co.in Contact Person: Mr. Vithal Nawandhar SEBI Registration No.: IND000000569</p>

TRANCHE I ISSUE PROGRAMME*

<p>TRANCHE I ISSUE OPENS ON: JANUARY 15, 2021</p>	<p>TRANCHE I ISSUE CLOSES ON: JANUARY 29, 2021</p>
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*Beacon Trusteeship Limited pursuant to regulation 4(4) of SEBI Debt Regulations has by its letter dated October 23, 2020 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Tranche I Prospectus and in all the subsequent periodical communications to be sent to the holders of the NCDs issued pursuant to this Issue. For further details please see "General Information - Debenture Trustee" on page 16 of this Tranche I Prospectus and see Annexure B.

*The Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. till 5.00 p.m. (Indian Standard Time) during the period indicated above, with an option for early closure or extension by such period as may be decided by the Board of Directors or a duly constituted committee thereof. In the event of such early closure or extension of this Tranche I Issue, our Company shall ensure that public notice of such early closure or extension is published on or before the day of such early date of closure or the initial Tranche I Issue Closing Date, through an advertisement in all the newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche I Issue have been given. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 31.

A copy of this Tranche I Prospectus along with the Shelf Prospectus shall be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana, in terms of the Companies Act, 2013, along with the requisite endorsed/certified copies of all requisite documents. For more information, see the section titled "Material Contracts and Documents for Inspection" on page 93 of this Tranche I Prospectus.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Tranche I Prospectus to “our Company” or “Issuer” or “we” or “us” or “our” or “PFC” are to Power Finance Corporation Limited, a public limited company incorporated under the erstwhile Companies Act, 1956.

Unless the context otherwise indicates or implies or defined specifically in this Tranche I Prospectus, the following terms have the following meanings in this Tranche I Prospectus, and references to any statute or rules or regulations or guidelines or policies includes any amendments or re-enactments thereto, from time to time.

Company Related Terms

Term	Description
“Issuer” or “PFC” or “our Company” or “the Company”	Power Finance Corporation Limited, a public limited company incorporated under the erstwhile Companies Act, 1956 and having its registered office and corporate office situated at Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi 110 001.
“Articles” or “Articles of Association” or “AoA”	Articles of association of our Company, as amended.
“Board” or “Board of Directors”	Board of directors of our Company.
Director(s)	Director(s) on our Board.
Equity Shares	Equity shares of our Company of face value of ₹10 (ten) each.
Joint Ventures	Energy Efficiency Services Limited
“Memorandum” or “Memorandum of Association” or “MoA”	Memorandum of association of our Company, as amended.
Promoter	The President of India, acting through the Ministry of Power, Government of India.
“Registered Office” or “Corporate Office”	The registered office situated at Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi 110 001.
RoC / Registrar of Companies	Registrar of Companies, NCT of Delhi and Haryana.
“Statutory Auditors” or “Joint Statutory Auditors” or “Auditors”	The current joint statutory auditors of our Company, namely, M/s Gandhi Minocha & Co. and M/s Dass Gupta & Associates.
Subsidiaries	The subsidiaries of our Company in terms of Section 2(87) of the Companies Act, 2013, namely, <ol style="list-style-type: none"> 1. Coastal Maharashtra Mega Power Limited 2. Sakhigopal Integrated Power Company Limited 3. Orissa Integrated Power Limited 4. Chhattisgarh Surguja Power Limited 5. Bihar Mega Power Limited 6. Bihar Infrapower Limited 7. Cheyyur Infra Limited 8. Ghogarpalli Integrated power Limited 9. Coastal Karnataka Power Limited 10. Odisha Infrapower Limited 11. Deoghar Mega Power Limited 12. Deoghar Infra Limited 13. Tatiya Andhra Mega Power Limited 14. Coastal Tamil Nadu Power Limited 15. Jharkhand Infrapower Limited 16. PFC Consulting Limited; 17. Bijawar-Vidarbha Transmission Limited 18. Shongtong Karcham-Wangtoo Transmission Limited 19. Tanda Transmission Company Limited 20. Karur Transmission Limited 21. Koppal-Narendra Transmission Limited 22. Ananthpuram Kurnool Transmission Limited 23. Bhadla Sikar Transmission Limited 24. Bikaner-II Bhiwadi Transco Limited 25. Khetri-Narela Transmission Limited 26. Sikar-II Aligarh Transmission Limited 27. REC Limited, 28. REC Power Distribution Company Limited; 29. REC Transmission Projects Company Limited; 30. Koderma Transmission Limited; 31. Mandar Transmission Limited; 32. Dinchang Transmission Limited; 33. Chandil Transmission Limited; 34. Dumka Transmission Limited; 35. Kallam Transmission Limited 36. Gadag Transmission Limited 37. Fatehgarh Bhadla Transco Limited 38. Rajgarh Transmission Limited 39. Bidar Transmission Limited 40. Sikar New Transmission Limited 41. Ramgarh New Transmission Limited 42. MP Power Transmission Package-I Limited

Term	Description
	43. MP Power Transmission Package-II Limited

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and this Tranche I Prospectus.
A.K. Capital	A.K. Capital Services Limited.
“Allotment” or “Allot” or “Allotted”	The basis of allotment of the NCDs to the Allottees pursuant to the Issue.
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment.
Allottee	A successful Applicant to whom the NCDs are allotted pursuant to the Issue.
App	Application
“Applicant” or “Investor” or “ASBA Applicant”	A person who applies for the issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of the Shelf Prospectus, this Tranche I Prospectus, and the Application Form for this Tranche I Issue.
“Application” or “ASBA application”	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an application value upto ₹ 2,00,000 which will be considered as the application for Allotment in terms of the Shelf Prospectus and this Tranche I Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the respective Tranche Issue.
“Application Form” or “ASBA Form”	The form used by an Applicant for applying for the NCDs under the Issue through the ASBA process or through UPI Mechanism, in terms of the Shelf Prospectus and this Tranche I Prospectus.
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value upto INR 2,00,000.
Banker(s) to the Issue	Collectively, the Public Issue Account Bank, Sponsor Bank and the Refund Bank.
Base Issue Size	Rs. 500 crore
Basis of Allotment	As specified in this Tranche I Prospectus
“Bidding Centres” or “Collection Centres”	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated Branches for SCSBs, Specified Locations for the Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs, and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchange, where Applicants can submit the Application Forms to a Trading Member. The details of such Broker Centres, along with the names and contact details of the Trading Members, are available on the respective websites of the Stock Exchanges.
BSE	BSE Limited
CARE	CARE Ratings Limited (formerly known as Credit Analysis and Research Limited)
Category I - Institutional Investors	<ul style="list-style-type: none"> a) Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; b) Provident funds and pension funds with a minimum corpus of ₹25 Crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; c) Alternative investment funds, subject to investment conditions applicable to them under the SEBI AIF Regulations; d) Resident venture capital funds registered with SEBI; e) Insurance companies registered with the IRDAI; f) State industrial development corporations; g) Insurance funds set up and managed by the army, navy, or air force of the Union of India; h) Insurance funds set up and managed by the Department of Posts, the Union of India; i) Systemically important non-banking financial company registered with the RBI and having a net-worth of more than ₹500 Crore in accordance with the last audited financial statements; j) National Infrastructure Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and k) Mutual funds registered with SEBI.
Category II- Non-Institutional Investors	<ul style="list-style-type: none"> a) Companies within the meaning of Section 2(20) of the Companies Act, 2013; b) Statutory bodies / corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; c) Co-operative banks and regional rural banks; d) Trusts including public / private charitable / religious trusts which are authorised to invest in the NCDs; e) Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; f) Partnership firms in the name of the partners; g) Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), as amended;

Term	Description
	h) Association of persons; and i) Any other incorporated and/or unincorporated body of persons.
Category III - High Net-Worth Individuals	Resident Indian individuals or Hindu Undivided Families applying through the Karta, for NCDs aggregating up to a value of more than ₹10 Lakh, across all series of NCDs in a Tranche Issue.
Category IV- Retail Individual Investors	Resident Indian individuals or HUFs applying through the Karta, for NCDs for an amount aggregating up to and including ₹10 Lakh, across all series of NCDs in a Tranche Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) through UPI Mechanism
“Collecting Registrar and Share Transfer Agents” or “CRTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations.
“Collecting Depository Participants” or “CDPs”	A depository participant, as defined under the Depositories Act, 1996, as amended, and registered under Section 12(1A) of the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the Debt ASBA Circular and UPI Mechanism Circular
Compliance Officer of the Company	Mr. Manohar Balwani, Company Secretary
Members of the Consortium (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members.
Consortium Agreement	Consortium agreement to be signed among our Company and the Consortium Members prior to each Tranche Issue.
Consortium Members	As specified in this Tranche I Prospectus.
Credit Rating Agencies	CARE, ICRA and CRISIL.
CRISIL	CRISIL Limited.
“Debenture Holder(s)” or “NCD Holder(s)”	Any person holding the NCDs and whose name appears on the beneficial owners list provided by the Depositories (in case of NCDs in dematerialized form) or whose name appears in the Register of Debenture Holders maintained by the Issuer (in case of NCDs in physical form pursuant to rematerialization).
“Debentures” or “NCDs”	Secured, redeemable, non-convertible debentures of our Company of face value of ₹1,000 each proposed to be issued by our Company in terms of the Shelf Prospectus and this Tranche I Prospectus.
Debenture Trustee Agreement	Agreement dated December 23, 2020 entered into between our Company and the Debenture Trustee.
Debenture Trust Deed	Trust deed to be entered into between the Debenture Trustee and the Company, in accordance with applicable laws.
Debenture Trustee or Trustee	Trustee for the Debenture Holders, in this case being Beacon Trusteeship Limited.
Debt ASBA Circular	Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018, as amended from time to time.
Deemed Date of Allotment	The date on which the authorized officials approve the Allotment of the NCDs for each Tranche Issue, or such other date as may be determined by the Authorized Officials and notified to the Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for this Tranche I Issue by way of this Tranche I Prospectus) shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The details of an Applicant, such as his address, bank account details, UPI ID, Permanent Account Number, Category for printing on refund orders, and occupation which are based on the details provided by the Applicant in the Application Form.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Applications, a list of which is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms, are available on the respective website of the Stock Exchange(s), as updated from time to time.
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, after finalisation of the Basis of Allotment in terms of the Shelf Prospectus and this Tranche I Prospectus and the Public Issue Account and Sponsor Bank Agreement following which the NCDs will be Allotted in the Issue.
Designated Intermediaries	The Members of the Consortium, SCSBs, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue. In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA applicants submitted by Retail Individual Investors where the amount was blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Members of the Consortium, Trading Members and Stock Exchange where applications

Term	Description
	have been submitted through the app/web interface as provided in the UPI Mechanism Circular.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of INR 2,00,000) are available on the website of the Stock Exchange at (https://www.bseindia.com/), as updated from time to time.
Designated Stock Exchange	BSE
Debt Listing Agreement	The listing agreement entered into between our Company and the relevant stock exchange(s) in connection with the listing of the debt securities of our Company.
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility.
Draft Shelf Prospectus	The draft shelf prospectus dated December 31, 2020, filed with the Designated Stock Exchange for receiving public comments, and with SEBI for its records, in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Edelweiss	Edelweiss Financial Services Limited.
EESL	Energy Efficiency Services Limited
Financial Information under IND-AS	Collectively, the Reformatted Consolidated Financial Information under IND-AS and the Reformatted Standalone Financial Information under IND-AS.
Group Company(ies)	As defined under Regulation (2)(1)(t) of the Securities and Exchange of Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Our Company does not have any Group Companies.
ICRA	ICRA Limited.
Issue	Public issue by our Company of secured, redeemable, non-convertible debentures of face value of ₹1,000 each aggregating up to ₹10,000 Crore in one or more tranches.
Issue Agreement	Agreement dated December 30, 2020 entered into amongst our Company, and the Lead Managers.
“Issue Documents” or “Offer Documents”	Collectively the Draft Shelf Prospectus, the Shelf Prospectus, the respective Tranche Prospectus(es) for the Issue, the Application Form and the Abridged Prospectus, including all amendments, corrections, corrigenda, supplements or notices to be issued to the prospective Applicants in connection with the Issue.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants may submit their Application Forms.
JM Financial	JM Financial Limited.
“Lead Managers” or “LMs”	Trust Investment Advisors, A.K. Capital, Edelweiss and JM Financial
Limited Liability Partnerships	Limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended.
Limited Review Financial Results	The limited reviewed standalone and consolidated financial results of the Company for the quarter and half year ended September 30, 2020.
Market Lot	As mentioned in this Tranche I Prospectus.
“Maturity Amount” or “Redemption Amount”	As specified in this Tranche I Prospectus.
“Maturity Date” or “Redemption Date”	As specified in this Tranche I Prospectus.
NRI	Persons resident outside India who are citizens of India, as defined in the Foreign Exchange Management (Deposit) Regulations, 2016, as amended.
NSE	National Stock Exchange of India Limited.
PFCCL	PFC Consulting Limited
PFCGEL	PFC Green Energy Limited
PTC	PTC India Limited
Public Issue Account	A bank account opened in accordance with the provisions of the Companies Act, 2013, with the Public Issue Account Bank to receive money from the ASBA Accounts on the Designated Date.
Public Issue Account and Sponsor Bank Agreement	Agreement dated January 11, 2021 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank, Sponsor Bank and the Lead Managers for collection of the Application Amounts from ASBA Accounts and where applicable, refunds of the amounts collected from the Applicants on the terms and conditions thereof.
Public Issue Account Bank	ICICI Bank Limited
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Company from time to time in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Depositories are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Recovery Expense Fund	A fund which would be deposited by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹25,00,000 at the time of making the application for listing of NCDs.
Reformatted Audited Financial	Collectively, the Reformatted Consolidated Financial Information under IGAAP and the

Term	Description
Information under IGAAP	Reformatted Standalone Financial Information under IGAAP.
Reformatted Audited Financial Information under Ind AS	Collectively, the Reformatted Consolidated Financial Information under Ind AS and the Reformatted Standalone Financial Information under Ind AS.
Reformatted Consolidated Financial Information under IGAAP	<p>The statement of reformatted consolidated balance sheet as at March 31, 2018, 2017 and 2016, the reformatted consolidated summary statement of profit and loss and the reformatted consolidated cash flow statements for each of the years ended March 31, 2018, 2017 and 2016 and the statement of significant accounting policies, and notes to accounts, as examined by our Company's Statutory Auditors.</p> <p>Our audited consolidated financial statements as at and for each of the years ended March 31, 2018, 2017 and 2016 form the basis for such Reformatted Consolidated Financial Information under IGAAP.</p>
Reformatted Consolidated Financial Information under Ind AS	<p>The reformatted consolidated statement of Assets and Liabilities as at March 31, 2020 and March 31, 2019 and the reformatted consolidated Statement of Profit and Loss for the year ended 2020 and 2019 and the reformatted consolidated Statement of cash flows for the year ended 2020 and 2019 and the reformatted consolidated statement of Changes in Equity for the year ended 2020 and 2019.</p> <p>Our audited consolidated financial statements as at and for the year ended March 31, 2020 and March 31, 2019 form the basis for such Reformatted Ind AS Consolidated Financial Information.</p>
Reformatted Standalone Financial Information under IGAAP	<p>The statement of reformatted standalone balance sheet as at March 31, 2018, 2017 and 2016, the reformatted standalone summary statement of profit and loss, the reformatted standalone cash flow statement for each of the years ended March 31, 2018, 2017 and 2016, and statement of significant accounting policies, and notes to accounts, as examined by our Company's Statutory Auditors.</p> <p>Our audited standalone financial statements as at and for each of the years ended March 31, 2018, 2017, and 2016 form the basis for such Reformatted Standalone Financial Information under IGAAP.</p>
Reformatted Standalone Financial Information under Ind AS	<p>The reformatted standalone statement of Assets and Liabilities of our Company as at March 31, 2020 and March 31, 2019 and the reformatted standalone statement of profit and loss for the year ended 2020 and 2019 and the reformatted standalone statement of cash flows for the year ended 2020 and 2019 and the reformatted standalone statement of changes in equity for the year ended 2020 and 2019.</p> <p>Our audited standalone financial statements as at and for the year ended March 31, 2020 and March 31, 2019 form the basis for such Reformatted Ind AS Standalone Financial Information.</p>
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount shall be made and as specified in this Tranche I Prospectus.
Refund Bank	ICICI Bank Limited
Register of NCD Holders	The register of NCD holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of NCDs held in dematerialised form, and/or the register of NCD holders maintained by the Registrar.
"Registrar to the Issue" or "Registrar" or "RTA"	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)
Registrar Agreement	Agreement dated December 28, 2020, entered into between our Company and the Registrar to the Issue.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Consortium, and eligible to procure Applications from Applicants.
Security	The principal amount of the NCDs to be issued in terms of this Tranche I Prospectus together with all interest accrued on the NCDs shall be secured by way of first <i>pari passu</i> charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company), more particularly as detailed in the section titled " <i>Issue Structure</i> " on page 42.
Series	As specified in this Tranche I Prospectus.
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Shelf Prospectus	The shelf prospectus dated January 11, 2021 to be filed with the RoC and the Designated Stock Exchange in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Specified Locations	Bidding centers where the Member of the Consortium shall accept Application Forms from Applicants a list of which is available on the website of the SEBI at

Term	Description
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Sponsor Bank	ICICI Bank Limited
Stock Exchange	BSE
Syndicate ASBA	Applications submitted by an ASBA Applicant through the Members of the Consortium and Trading Members instead of the Designated Branches of the SCSBs
Syndicate ASBA Application Locations	Bidding centres where the Members of the Consortium and Trading Members shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Consortium or Trading Members, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the Members of the Consortium, and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , or at such other website as may be prescribed by SEBI from time to time.
Tenor	The tenor of the NCDs as specified in this Tranche I Prospectus.
Trading Members	Intermediaries registered as brokers under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended, and with the BSE and/or NSE under the applicable byelaws, rules, regulations, guidelines, circulars issued by the BSE and NSE from time to time, and duly registered with BSE and/or NSE for collection and electronic upload of Application Forms on the electronic application platform provided by the BSE and/or NSE.
Tranche I Issue	Issue of the NCDs pursuant to this Tranche I Prospectus.
Tranche I Issue Closing Date	January 29, 2021
Tranche I Issue Opening Date	January 15, 2021
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants may submit their Application Forms.
Tranche I Prospectus	This Tranche I Prospectus dated January 11, 2021 for the Tranche I Issue containing, <i>inter alia</i> , the details of NCDs including interest and other terms and conditions.
Tranche Prospectus(es)	The relevant Tranche Prospectus for each Tranche Issue containing, <i>inter alia</i> , the details of NCDs including interest and other terms and conditions in respect of the relevant Tranche Issue.
Trust Investment Advisors	Trust Investment Advisors Private Limited.
“Transaction Registration Slip” or “TRS”	The slip or document issued by any of the Members of the Consortium, the SCSBs, or the Trading Members as the case may be, to an Applicant upon demand as proof of registration of his application for the NCDs.
Tripartite Agreements	Tripartite Agreement dated May 16, 2006 entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated April 25, 2006 entered into between our Company, the Registrar to the Issue and CDSL for offering dematerialised option to the NCD Holders under the terms of which the Depositories agree to act as depositories for the securities issued by the Issuer.
“UPI” or “UPI Mechanism”	Unified Payments Interface mechanism in accordance with SEBI Circular no. SEBI/HO/DDHS/CIR/P/2020/233 dated November 23, 2020 as amended from time to time, to block funds for application value upto Rs. 2,00,000 submitted through intermediaries, namely the Registered Stock brokers, Registrar and Transfer Agent and Depository Participants.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
“UPI Mandate Request” or “Mandate Request”	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorise blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment.
UPI Mechanism Circular	Circular issued by SEBI on November 23, 2020 titled “Introduction of Unified Payments Interface (UPI) mechanism and Application through Online interface and Streamlining the process of Public issues of securities under - SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 and SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015” bearing reference number SEBI/HO/DDHC/CIR/P/2020/233 as amended from time-to-time.
Wilful Defaulter	A Person or a company categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as such.
Working Days	All days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India when the stock exchanges are closed for trading. Furthermore, for the purpose of post issue period, i.e. period beginning from the Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of the stock exchanges in India excluding Sundays and bank holidays in Mumbai.

Conventional and General Terms or Abbreviations

Term or Abbreviation	Description or Full Form
AGM	Annual General Meeting.
AS	Accounting Standards issued by Institute of Chartered Accountants of India.
BPS	Basis points.
CAG	Comptroller and Auditor General of India.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
CESTAT	Customs Excise and Service Tax Appellate Tribunal
CIC	Core Investment Company.
CIT(Appeals)	Commissioner of Income Tax (Appeals)
CMD	Chairman and Managing Director.
Companies Act, 1956	Companies Act, 1956, to the extent still in force
Companies Act, 2013	Companies Act, 2013, as amended.
CRAR	Capital to Risk Weighted Assets Ratio.
Crore	1,00,00,000.
CSR	Corporate Social Responsibility.
Debt Application Circular	The circular no. CIR/IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI as modified by circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 issued by SEBI, circular no. SEBI/HO/DDHC/CIR/P/2020233 dated November 23, 2020 (“ UPI Mechanism Circular ”) and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“ Debt ASBA Circular ”).
CWIP	Capital work in progress
DIN	Director Identification Number.
Depository(ies)	CDSL and NSDL.
Depositories Act	Depositories Act, 1996, as amended.
“DP” or “Depository Participant”	Depository Participant as defined under the Depositories Act.
DRR	Debenture Redemption Reserve.
DRT	Debt Recovery Tribunal.
ECB	External Commercial Borrowing
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999, as amended.
FIMMDA	Fixed Income Money Market and Derivative Association of India.
“Financial Year” or “Fiscal” or “FY”	Period of 12 months ended March 31 of that particular year.
GDP	Gross Domestic Product.
“GoI” or “Government”	Government of India
HUF	Hindu Undivided Family.
IAS	Indian Administrative Service.
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
ITAT	Income Tax Appellate Tribunal.
“Income Tax Act” or “I.T. Act” or “IT Act”	Income Tax Act, 1961.
Indian GAAP	Accounting Standards in accordance with the Companies (Accounting standards) Rules, 2006 notified under Section 133 of the Companies Act, 2013, and other relevant provisions of the Companies Act, 2013.
IND-AS	Indian accounting standards (IND-AS) in accordance with Companies (Indian Accounting Standards) Rules, 2015, as amended notified under section 133 of the Act and other relevant provisions of the Act.
IRDAI	Insurance Regulatory and Development Authority of India.
ISIN	International Securities Identification Number.
IT	Information technology.
JV	Joint venture.
Lakh	1,00,000.
LIBOR	London Inter-Bank Offer Rate.
LTV	Loan to value.
Master Direction on IT Framework	RBI Master Direction - Information Technology Framework for the NBFC Sector, bearing reference number, RBI/DNBS/2016-17/53 Master Direction DNBS.PPD.No.04/66.15.001/2016-17, dated June 8, 2017.
MICR	Magnetic ink character recognition
MoF	Ministry of Finance, GoI.
MCA	Ministry of Corporate Affairs, GoI.
Million	1,000,000.
NACH	National Automated Clearing House.
NBFC	Non-Banking Finance Company, as defined under applicable RBI guidelines.
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
NGO	Non-governmental organisations.
NSDL	National Securities Depository Limited.
“NR” or “Non-resident”	A person resident outside India, as defined under FEMA.
p.a..	Per annum.
PAN	Permanent Account Number.

Term or Abbreviation	Description or Full Form
PAT	Profit After Tax.
PFC	Power Finance Corporation Limited
PFI	Public Financial Institution, as defined under Section 2 (72) of the Companies Act, 2013.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934.
REC	REC Limited.
“₹” or “Rupees” or “Indian Rupees” or “Rs.” or “INR”	The lawful currency of India.
RTGS	Real Time Gross Settlement.
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
SCD Rules	Companies (Share Capital and Debentures) Rules, 2014, as amended.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
TDS	Tax Deducted at Source.
Tier I Capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I capital of such company as on March 31 of the previous accounting.
Tier II Capital	Tier II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of fifty five percent; (c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets;(d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier I capital.

Business / Industry Related Terms

Term/Abbreviation	Description/ Full Form
ALCO	Asset Liability Management Committee.
ALM	Asset Liability Management.
AUM	Loans and Advances.
CAGR	Compounded Annual Growth Rate.
CCEA	Cabinet Committee on Economic Affairs
CDM	Clean Development Mechanism
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPSU	Central Public Sector Undertaking.
CRAR	Capital to Risk Adjusted Ratio.
DISCOM Liquidity Package	The liquidity package for stressed power distribution utilities as announced by Ministry of Finance, the Government of India on May 13, 2020, revised from time to time.
DSCR	Debt Service Coverage Ratio
DSRA	Debt Service Reserve Account
ECL	Expected Credit Loss
EPC	Engineering, Procurement and Construction
ERP	Enterprise Resource Planning.
DDUGJY	Deendayal Upadhyaya Gram Jyoti Yojana
Discom(s) or DISCOM(s)	Distribution company(ies)
DMS	Distribution Management System
DPE	Department of Public Enterprises, GoI.
Gross NPA	The non-performing portfolio loans outstanding (gross) as of the last day of the relevant period.
Gross NPA (%)	Percentage of the non-performing portfolio loans outstanding (gross) to gross credit exposure (total assets under management).
IFC	Infrastructure Finance Company.

Term/Abbreviation	Description/ Full Form
IPDS	Integrated Power Development Scheme
IPP	Independent Power Producer
ISO	International Organization for Standardization
ITP	Independent Transmission Projects
KYC	Know Your Customer.
MoP	Ministry of Power, Government of India
MU	Million Unit
MW	Megawatt
Net NPA	The non-performing portfolio loans outstanding (net) as of the last day of the relevant period i.e. non-performing portfolio loans outstanding (gross) as reduced by the provision for non-performing assets.
Net NPA (%)	Percentage of the non-performing portfolio loans outstanding (net after adjusting provision against NPA) to gross credit exposure.
NPA	Non-Performing Asset.
PPP	Purchasing Power Parity.
PSE	Public sector enterprise.
PSU	Public sector undertaking
PXIL	Power Exchange India Limited
R-APDRP	Restructured Accelerated Power Development and Reform Program
RE	Rural Electrification.
RGGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
RRB	Regional Rural Bank.
SCADA	Supervisory Control and Data Acquisition
SCB	Scheduled Commercial Bank
SEB	State Electricity Board
SERC	State Electricity Regulatory Commissions
SPU	State Power Utility
SPV	Special Purpose Vehicle
TRA	Trust and Retention Account
UDAY	Ujwal DISCOM Assurance Yojana
UMPP	Ultra Mega Power Projects

Notwithstanding anything contained herein, capitalised terms that have been defined in the sections titled “*Capital Structure*”, “*Statement of Tax Benefits*”, “*Regulations and Policies*”, “*History and Certain Corporate Matters*”, “*Our Management*”, “*Financial Indebtedness*”, “*Outstanding Litigation*”, and “*Issue Procedure*” beginning on pages 43, 62, 113, 129, 139, 150, 232 and 279 respectively, of the Shelf Prospectus will have the meanings ascribed to them in such sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Tranche I Prospectus to “India” are to the Republic of India and its territories and possessions.

Financial Data

Unless stated otherwise, the financial data in this Tranche I Prospectus is derived from our Reformatted Audited Financial Information under IGAAP and Reformatted Audited Financial Information under IND-AS, of the respective years. In this Tranche I Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

The current financial year of our Company commences on April 1 and ends on March 31 of the next year. Therefore, all references to a particular “financial year”, “fiscal year” and “fiscal” or “FY”, unless stated otherwise, are to the 12 months’ period ended on March 31 of that year.

The Government has introduced IND-AS pursuant to the “Convergence of its existing standards with IFRS”. Our Company is required to: (i) prepare its financial statements in accordance with IND-AS for periods beginning on or after April 1, 2018, and (ii) for the purposes of disclosure in this Tranche I Prospectus, prepare and present our financial statements for the latest Fiscals (in this case, for Fiscal 2020 and Fiscal 2019) under IND-AS, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India and the SEBI Debt Regulations.

Our Company’s financial statements for the year ended and March 31, 2018, March 31, 2017 and March 31, 2016 have been prepared in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, Companies Act, 2013, as applicable, and other applicable statutory and / or regulatory requirements. Our Company’s financial statements for the years ended March 31, 2020 and March 31, 2019 included in the Shelf Prospectus have been prepared in accordance with IND-AS, guidance notes specified by the Institute of Chartered Accountants of India, Companies Act, 2013 as applicable and other applicable statutory and/or regulatory requirements. Our Company’s standalone and consolidated financial results for the quarter and half year ended on September 30, 2020 have been prepared in accordance with IND-AS. Accordingly, our financial statement for Fiscals 2020 and 2019 may not be strictly comparable to our historical financial statements.

Unless stated otherwise and unless the context requires otherwise, the financial data as at and for the six months period ended September 30, 2020 used in this Tranche I Prospectus is derived from our Company’s Limited Review Financial Results. Further, unless stated otherwise and unless the context requires otherwise, the financial data used in this Tranche I Prospectus as at and for the years ended March 31, 2020, 2019 is derived from Reformatted Audited Financial Information under IND-AS, and for the years ended March 31, 2018, 2017 and 2016 is derived from the Reformatted Audited Financial Information under IGAAP. Further, the financial data and numbers used in this Tranche I Prospectus are under IND AS and IGAAP is not strictly comparable.

The Reformatted Consolidated Financial Information under IGAAP, the Reformatted Consolidated Financial Information under IND-AS, the Reformatted Standalone Financial Information under IND-AS and Reformatted Standalone Financial Information under IGAAP and the Limited Review Financial Results, are included in the Shelf Prospectus as “*Financial Statements*” in Annexure C.

Currency and Unit of Presentation

In this Tranche I Prospectus, references to “₹”, “Indian Rupees”, “INR”, “Rs.” and “Rupees” are to the legal currency of India, and references to “US\$”, “USD”, and “U.S. dollars” are to the legal currency of the United States of America, and references to “Euro” and “€” are to Euro i.e. the official and lawful currency of the countries of European Union, and references to “¥”, “Yen” and “JPY” are to Japanese yen i.e. the legal currency of Japan. For the purposes of this Tranche I Prospectus data will be given in Lakh and Crore, as the case may be. In this Tranche I Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off.

Industry and Market Data

The industry and market data used in this Tranche I Prospectus consists of estimates based on data reports compiled by government bodies, professional organizations and analysts, data from other external sources and knowledge of the markets in which we compete. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable, but it has not been independently verified by us or its accuracy and completeness is not guaranteed, and its reliability cannot be assured. Although we believe the industry and market data used in this Tranche I Prospectus is reliable, it has not been independently verified by us. The data used from these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data as presented in this Tranche I Prospectus is meaningful depends on the reader’s familiarity with, and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different market and industry sources.

Exchange Rates

The exchange rates Rupees (₹) vis-a-vis of USD, € and JPY, as of December 31, 2020, September 30, 2020 and March 31, 2020, 2019, 2018, 2017 and 2016 are provided below:

Currency	December 31, 2020	September 30, 2020	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
1 USD	73.05	73.80	75.39	69.17	65.04	64.84	66.33
1 Euro	89.79	86.57	83.05	77.70	80.62	69.25	75.10
100 JPY	70.84	69.91	69.65	62.52	61.54	57.96	59.06

Source: <https://www.fbil.org.in/#/home> and <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx> (under www.rbi.org.in)

In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

“The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.”

FORWARD LOOKING STATEMENTS

Certain statements contained in this Tranche I Prospectus that are not statement of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “contemplate”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Tranche I Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- the impact of COVID-19 pandemic on the economy, our business and operations;
- concentration of lending to public sector borrowers and our ability to manage our asset portfolio quality;
- ability to recover value from or enforce security for loans provided;
- ability to maintain low effective cost of borrowing;
- volatility in interest rates for our lending and investment operations as well as the rates at which our Company borrows from banks/financial institution;
- growth prospects of the Indian power sector and related policy developments;
- changes in the demand and supply scenario in the power sector in India;
- general, political, economic, social and business conditions in Indian and other global markets;
- our ability to successfully implement our strategy, growth and expansion plans;
- competition in the Indian and international markets;
- availability of adequate debt and equity financing at commercially acceptable terms;
- performance of the Indian debt and equity markets;
- our ability to comply with certain specific conditions prescribed by the GoI in relation to our business; and
- other factors discussed in the Shelf Prospectus, including under the section titled “*Risk Factors*” on page 15 of the Shelf Prospectus.

For further discussion of factors that could cause our actual results to differ please refer to the section titled “*Risk Factors*” on page 15 of the Shelf Prospectus.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled “*Our Business*” on page 81 of the Shelf Prospectus. The forward-looking statements contained in this Tranche I Prospectus are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors and officers, nor any of their respective affiliates or associates, nor the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI Debt Regulations, the Company and the Lead Managers will ensure that investors in India are informed of material developments between the date of filing this Tranche I Prospectus with the ROC and the date of obtaining the listing and trading approval for the NCDs.

SECTION II - INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as Power Finance Corporation Limited on July 16, 1986 as a public limited company under the Companies Act, 1956 and was granted a certificate of commencement of business on December 31, 1987. We were incorporated by the GoI in order to finance, facilitate and promote power sector development in India with the President of India, acting through the MoP, holding 100% of our paid up equity share capital at the time of incorporation. The President of India, acting through the MoP, held 55.99% of our paid-up Equity Share capital as on December 31, 2020. For further details, see the section titled “*History and Certain Corporate Matters*” on page 129 of the Shelf Prospectus.

Registered Office and Corporate Office

‘Urjanidhi’,
1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001, India.
Telephone: + 91 11 2345 6000
Facsimile: + 91 11 2341 2545
Website: www.pfcindia.com

Registration

Details	Registration/Identification number
CIN	L65910DL1986GOI024862
NBFC-ND-IFC registration certificate number, under section 45 IA of the RBI Act	B-14.00004
LEI Number	3358003Q6D9LIJZ1614

Contents of the Memorandum of Association of the Company as regards its objects

For information on the Company’s main objects, please see the section titled “*History and Certain Corporate Matters – Main Objects*” on page 129 of the Shelf Prospectus. The Memorandum of Association of the Company is a material document for inspection in relation to the Issue. For further details, see the section titled “*Material Contracts and Documents for Inspection*” beginning on page 93 of this Tranche I Prospectus.

Liability of the members of the Company

Limited by shares.

Address of the Registrar of Companies

The Registrar of Companies,
Delhi and Haryana
4th Floor, IFCI Tower, 61, Nehru Place
New Delhi 110 019, India

Director (Finance)*

Mrs. Parminder Chopra
‘Urjanidhi’,
1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001, India.
Telephone: +91 1123456912
Facsimile: 011-2345685
Email: Parminderchopra@pfcindia.com

**The Director (Finance) as part of her role carries out the functions of the chief financial officer.*

Company Secretary of the Company

Mr. Manohar Balwani
‘Urjanidhi’
1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001, India.
Telephone: +91 11 2345 6749
Facsimile: 011-23456749
E-mail: mb@pfcindia.com

Compliance Officer of the Company

Mr. Manohar Balwani
‘Urjanidhi’
1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001, India.

Telephone: +91 11 2345 6749
 Facsimile: 011-23456749
 E-mail: mb@pfcindia.com

Investors can contact the Compliance Officer of the Company or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, non-credit of Allotted NCDs in beneficiary accounts, and transfers as the case may be.

All grievances relating to the Issue or this Tranche I Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, Series of NCDs applied for, amount paid on application, Depository Participant name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than Retail Individual Investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series/option applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through Trading Members may be addressed directly to the BSE.

Lead Managers to the Issue

<p>Trust Investment Advisors Private Limited 109/110, Balarama, Bandra Kurla Complex, Bandra (E) Mumbai 400 051 Maharashtra, India. Telephone: +91 22 4084 5000 Facsimile: +91 22 4084 5066 Email: trust.pfc2020@trustgroup.in Investor Grievance E-mail: customercare@trustgroup.in Website: www.trustgroup.in Contact person: Ms. Hetal Sonpal SEBI Registration No.: INM000011120 Compliance Officer: Mr. Ankur Jain CIN: U67190MH2006PTC162464</p>	<p>A. K. Capital Services Limited 30-38, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021 Maharashtra, India Telephone: +91 22 6754 6500 / +91 22 6634 9300 Facsimile: +91 22 6610 0594 Email: pfcncd2020@akgroup.co.in Investor Grievance E-mail: investor.grievance@akgroup.co. in Website: www.akgroup.co.in Contact person: Ms. Aanchal Wagle / Mr. Lokesh Shah Compliance Officer: Mr. Tejas Davda SEBI Registration No.: INM000010411 CIN: L74899MH1993PLC274881</p>
<p>JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India Telephone: +91 22 6630 3030 Facsimile: +91 22 6630 3330 Email: PFC.bondissue2020@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact person: Ms. Prachee Dhuri Compliance Officer: Mr. Sunny Shah SEBI Registration No.: INM000010361 CIN: L67120MH1986PLC038784</p>	<p>Edelweiss Financial Services Limited Edelweiss House, Off. C.S.T Road, Kalina, Mumbai 400 098 Maharashtra, India Telephone: +91 22 4086 3535 Facsimile: +91 22 4086 3610 Email:pfcbond2019@edelweissfin.com Investor Grievance E-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact person: Mr. Lokesh Singhi Compliance Officer: Mr. B. Renganathan SEBI Registration No.: INM0000010650 CIN: L99999MH1995PLC094641</p>

Consortium Members

<p>A.K. Stockmart Private Limited Address: 30-39, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400021 Telephone: +91 22 6754 6500 Facsimile: +91 22 6754 4666 Email: ashit.raja@akgroup.co.in; ranjit.dutta@akgroup.co.in Contact Person: Mr. Ashit Raja/ Mr. Ranjit Dutta Compliance Officer: Mr. Ashit Raja CIN: U67120MH2006PTC158932 SEBI Registration Number: INZ000240830</p>	<p>Trust Securities Services Private Limited Address: 1101, Naman Centre, ‘G’ Block, C-31, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Telephone: +91 22 4084 5000 Facsimile: +91 22 4084 5066 E-mail: parth.maniar@trustgroup.in; trust.pfc2020@trustgroup.in Contact Person: Mr. Parth Maniar Compliance Officer: Mr. Sanyog Murdia CIN: U65929MH2016PTC287266 SEBI Registration Number: INZ000158031</p>
<p>JM Financial Services Limited Address: 2, 3 & 4 Kamanwalla Chambers, Ground Floor, Sir PM Road, Fort, Mumbai – 400001 Telephone: +91 22 61363400</p>	<p>Edelweiss Broking Limited Address: 2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad – 380009 Telephone: +91 22 40094400</p>

<p>E-mail: surajit.misra@jmfl.com; Deepak.vaidya@jmfl.com; tn.kumar@jmfl.com; sona.verghese@jmfl.com Contact Person: Mr. Surajit Misra/Mr. Deepak Vaidya/ Mr. T N Kumar/ Mr. Sona Verghese Compliance Officer: Mr. Manishkumar Saboo CIN: U67120MH1998PLC115415 SEBI Registration Number: INZ000195834</p>	<p>Email: amit.dalvi@edelweissfin.com; Prakash.boricha@edelweissfin.com Contact Person: Mr. Amit Dalvi/ Mr. Prakash Boricha Compliance Officer: Mr. Brijmohan Bohra CIN: U65100GJ2008PLC077462 SEBI Registration Number: INZ00005231</p>
<p>Trust Financial Consultancy Services Private Limited Address: 1101, Naman Centre, “g” Block, C-31, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Telephone: +91 22 4084 5000 Facsimile: +91 22 4084 5066 E-mail: pranav.inamdar@trustgroup.in; trust.pfc2020@trustgroup.in Contact Person: Mr. Pranav Inamdar Compliance Officer: Mr. Rajesh Nag CIN: U67120MH2002PTC135942 SEBI Registration Number: INZ0000238639</p>	

Debenture Trustee

Beacon Trusteeship Limited

4 C & D, Siddhivinayak Chambers, opposite MIG Cricket Club,
Bandra (East), Mumbai 400 051
Telephone: +91 22 2655 8759
Email: compliance@beacontrustee.co.in
Investor Grievance Email: investorgrievances@beacontrustee.co.in
Website: www.beacontrustee.co.in
Contact Person: Mr. Vitthal Nawandhar
SEBI Registration No.: IND000000569
CIN: U74999MH2015PLC271288

A copy of letter from Beacon Trusteeship Limited conveying their consent to act as Trustees for the Debenture Holders and for its name to be included in this Tranche I Prospectus and in all subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche I Issue is annexed as Annexure B to this Tranche I Prospectus.

Registrar to the Issue

KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)

Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally
Hyderabad Rangareddy, Telangana 500 032
Telephone: +91 40 6716 2222
Facsimile: +91 40 2343 1551
Email: pfc.ncd2020@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. M. Murali Krishna
SEBI Registration No.: INR000000221
CIN: U72400TG2017PTC117649

KFin Technologies Private Limited has by its letter dated December 2, 2020 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Statutory Auditors

M/s Gandhi Minocha & Co.

Chartered Accountants
B-6, Shakti Nagar Extension, New Delhi – 110052
Tel: 011 -27303078
Email: manojbhardwaj@gandhiminocha.com
ICAI Firm Registration No. 000458N
Contact person: CA Manoj Bhardwaj

Appointment date: August 10, 2020
Term: FY 2020-21

M/s Dass Gupta & Associates

Chartered Accountants
B-4, Gulmohar Park, New Delhi- 110049
Tel: 011-46111000
Email: admin@dassgupta.com
ICAI Firm Registration No. 000112N
Contact person: CA Naresh Kumar

Appointment date: August 10, 2020
Term: FY 2020-21

Being a government company, the statutory auditors of the Issuer are appointed by the CAG. The annual accounts of the Issuer are reviewed every year by the CAG and their comments are also published in our annual report.

Legal Counsel to the Issue

J. Sagar Associates
Sandstone Crest, Opposite Park Plaza Hotel
Sushant Lok - Ph 1
Gurugram 122 009
Tel: + 91 124 4390600
Facsimile: +91 124 439 0617

Bankers to the Company

<p>State Bank of India Jawahar Vyapar Bhawan, Ground Floor, STC building, Delhi-110001 Tel: 011-23374941 Email: sbi.06199@sbi.co.in Website: www.sbi.co.in Contact person: Ms Swasti Jain</p>	<p>ICICI Bank Limited ICICI Bank Tower, NBCC Place. Bhishm Pitahma Marg, Pragati Vihar, New Delhi-110003 Tel: 011-30278360 Fax: 011-24390070 Email: sunil.rathi@icicibank.com Website: https://www.icicibank.com Contact person: Mr. Sunil Rathi</p>
<p>HDFC Bank Limited HDFC Bank Ltd., 3rd Floor, B-6/3 Safdarjung Enclave, DDA Commercial complex, Opp. deer park, New Delhi- 110029 Tel: 011-41392243 Fax: 011-41392000 Email: anchal.garg@hdfcbank.com/ashutosh.kumar@hdfcbank.com Website: https://www.hdfcbank.com Contact person: Mr. Anchal Garg/Mr. Ashutosh Kumar</p>	

Public Issue Account Bank, Sponsor Bank and Refund Bank

ICICI Bank Limited

Capital Market Division, 1st Floor,
122, Mistry Bhavan, DinshawVacchha Road,
Backbay Reclamation, Churchgate, Mumbai – 400 020
Email: kmr.saurabh@icicibank.com
Telephone: +91 22 66818911
Facsimile: +91 22 22611138
Contact Person: Mr. Saurabh Kumar
CIN: L65190GJ1994PLC021012
SEBI Registration Number: INBI000000004

Underwriting

This Issue shall not be underwritten.

Arrangers

There are no arrangers to the Issue.

Credit Rating Agencies

CARE RATINGS LIMITED	CRISIL LIMITED
<p>13th Floor, E-1, Block Videocon Tower Jhandewalan Extension New Delhi 110 055 Tel: +91 11 4533 3200 Fax: (+91 11) 4533 3238 Website: www.careratings.com E-mail: shubha.bhanu@careratings.com Contact Person: Ms. Shubha Bhanu SEBI Registration No: IN/CRA/004/1999</p>	<p>CRISIL House Central Avenue, Hiranandani Business Park Powai Mumbai 400 076 Tel: +91 22 3342 3000 Fax: +91 22 3342 3050 Website: www.crisil.com Email: crisilratingdesk@crisil.com Contact Person: Mr. Krishnan Sitaraman SEBI Registration Number: IN/CRA/001/1999</p>
<p>ICRA LIMITED 1105, Kailash Building 11th Floor, 26, Kasturba Gandhi Marg New Delhi 110 001 Tel: +91 11 23357940/50 Fax: +91 11 23357014 Website: www.icra.in E-mail: shivakumar@icraindia.com Contact Person: Mr. L. Shivakumar SEBI Registration No: IN/CRA/008/15</p>	

Credit Rating and Rationale

The NCDs proposed to be issued under the Issue have been rated “CARE AAA; Stable” by CARE; ‘CRISIL AAA/Stable’ by CRISIL; and ‘[ICRA]AAA(Stable)’ by ICRA for an amount of upto ₹ 98,000 crore vide their letters dated January 07, 2021, January 08, 2021 and January 06, 2021 respectively. The rationales for the credit rating issued by CARE, CRISIL and ICRA were provided on April 17, 2020, March 29, 2020 and April 01, 2020 respectively. The ratings provided by CARE, ICRA and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. Instruments with these ratings are considered to have the highest degree of safety regarding timely servicing of financial obligations and such instruments carry lowest credit risk. These ratings are not a recommendation to buy, sell or hold the NCDs and

investors should take their own decisions. For further details, please refer to Annexure A for the rating letters and the rationale for the above ratings.

Credit Rating Agency Disclaimer

Disclaimer clause of ICRA

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

Disclaimer clause of CRISIL

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell or hold the rated instrument does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially that it has no financial liability whatever to subscribers/users/transmitters/distributors of this product. CRISIL Rating criteria are available without charge to the public on the CRISIL website, www.crisil.com.

Disclaimer clause of CARE

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

Expert Opinion

Except for the consent of (i) the Statutory Auditors dated December 30, 2020, to include their respective names as required under Section 26(1) of the Companies Act, 2013 and SEBI Debt Regulations in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus an "expert" as defined under Section 2(38) of the Companies Act, 2013 and Section 26(5) of the Companies Act, 2013, in relation to their examination reports, each dated December 30, 2020, on Reformatted Consolidated Financial Information under IGAAP, the Reformatted Consolidated Financial Information under IND-AS, the Reformatted Standalone Financial Information under IND-AS, Reformatted Standalone Financial Information under IGAAP; (ii) the limited review report dated November 12, 2020, on the Limited Review Financial Results; and (iii) the Statutory Auditors for their report dated December 30, 2020, on the statement of tax benefits, included in this Tranche I Prospectus, our Company has not obtained any expert opinions in respect of the Issue.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013".

Section 447 of the Companies Act, 2013 is reproduced below:

"Punishment for Fraud.

Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the

company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months, but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

Explanation — For the purposes of this section —

(i) “fraud” in relation to affairs of a company or any body corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;

(ii) “wrongful gain” means the gain by unlawful means of property to which the person gaining is not legally entitled;

(iii) “wrongful loss” means the loss by unlawful means of property to which the person losing is legally entitled.”

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned links.

In relation to Bids submitted under the ASBA process to a Member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the members of the Syndicate is available on the website of SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of the Syndicate at Specified Locations, see the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Syndicate SCSB Branches

In relation to bids submitted under the ASBA process to a Member of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms and Application Forms where investors have opted for payment via the UPI Mechanism, from the Members of the Consortium is available on the website of SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Consortium at Specified Locations, see the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registered Brokers / RTAs / CDPs

Applicants can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 for Registered Brokers and <https://www.bseindia.com/Static/PublicIssues/RtaDp.a.spx> for RTAs and CDPs, as updated from time to time.

In relation to Applications submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI at www.sebi.gov.in and updated from time to time.

CRTAs / CDPs

The list of the CRTAs and CDPs, eligible to accept Applications in the Tranche Issue, including details such as postal address, telephone number and email address, are provided on the website of the BSE for CRTAs and CDPs, as updated from time to time.

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% (i.e. Rs. 375 crore) of Base Issue Size, prior to the Tranche I Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within six Working Days from the Tranche I Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within six working days from the Tranche I Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this including the Debt Application Circular and the circular regarding

Strengthening the Guidelines and Raising Industry Standard for RTA, Issuer Companies and Banker to an Issue bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

For further details, please see the section titled “*Issue Procedure*” on page 63.

Tranche I Issue Programme

TRANCHE I ISSUE PROGRAMME*	
TRANCHE I ISSUE OPENS ON	TRANCHE I ISSUE CLOSES ON
January 15, 2021	January 29, 2021

* *The Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. till 5.00 p.m. (Indian Standard Time) during the period indicated above, with an option for early closure or extension by such period as may be decided by the Board of Directors or a duly constituted committee thereof. In the event of such early closure or extension of the Tranche I Issue, our Company shall ensure that public notice of such early closure or extension is published on or before the day of such early date of closure or the initial Tranche I Issue Closing Date, through an advertisement in all the newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche I Issue have been given. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled “Issue Related Information” beginning on page 31 of this Tranche I Prospectus.*

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche I Issue. Application Forms will only be accepted on Working Days during the Tranche I Issue Period. Neither our Company, nor the Lead Managers, Consortium Members or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of investors, the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be on proportionate basis.

OBJECTS OF THE TRANCHE I ISSUE

Tranche I Issue Proceeds

Our Company proposes to utilise the funds raised through this Tranche I Issue, after deducting the Tranche I Issue related expenses to the extent payable by our Company (“**Net Proceeds**”) and subject to applicable laws/regulations, towards funding the following objects (collectively, referred to as “**Objects**”):

1. For the purpose of onward lending, financing / refinancing the existing indebtedness of our Company, and/or debt servicing (payment of interest and/or repayment / prepayment of interest and principal of existing borrowings of our Company), and;
2. General corporate purposes.

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Tranche I Issue.

The details of the proceeds of the Tranche I Issue are summarized below:

Particulars	Estimated amount (in ₹ Crore)
Gross proceeds to be raised through the Tranche I Issue	5,000.00
Less: Tranche I Issue related expenses*	25.64
Net Proceeds of the Tranche I Issue after deducting the Tranche I Issue related expenses	4,974.36

**The above expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche I Issue, the number of Allottees, market conditions and other relevant factors.*

Requirements of funds and utilisation of Net Proceeds

The following table details the objects of the Tranche I Issue and the amount proposed to be financed from the Net Proceeds:

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	Onward lending, financing / refinancing the existing indebtedness of our Company, and/or debt servicing (payment of interest and/or repayment / prepayment of interest and principal of existing borrowings of our Company)	At least 75%
2.	General corporate purposes*	Maximum of up to 25%
Total		100%

** The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Issue, in compliance with the SEBI Debt Regulations.*

Tranche I Issue Related Expenses

A portion of the Tranche I Issue Proceeds will be used to meet Issue-related expenses. The following are the estimated expenses for the Tranche I Issue:

S. No.	Particulars	Amount (in ₹ Crore)	As percentage of the Tranche I Issue Proceeds	As percentage of total expenses of the Tranche I Issue (in %)
1.	Fee Payable to Intermediaries including Registrar to the Issue and Debenture Trustee	0.30	0.01%	1.16%

S. No.	Particulars	Amount (in ₹ Crore)	As percentage of the Tranche I Issue Proceeds	As percentage of total expenses of the Tranche I Issue (in %)
2.	Lead Managers Fee, Selling and Brokerage Commission, SCSB Processing Fee	19.71	0.39%	76.87%
3.	Advertising and Marketing, Printing and Stationery Costs	4.44	0.09%	17.33%
4.	Other Miscellaneous Expenses	1.19	0.02%	4.64%
Total		25.64	0.51%	100.00%

**The above expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche I Issue, the number of allottees, market conditions and other relevant factors.*

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹15 per Application Form procured (plus applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. RTAs and CDPs shall be paid ₹15 (plus applicable taxes) for each valid Application collected by them. Further, our Company shall pay the Sponsor Bank ₹8 for every valid Application that is blocked. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

The expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of Allottees, market conditions and other relevant factors.

Funding plan

Not applicable.

Summary of the project appraisal report

Not applicable.

Schedule of implementation of the project

Not applicable.

Interim use of Proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Tranche I Issue. Pending utilization of the proceeds out of the Tranche I Issue for the purposes described above, our Company intends to temporarily invest funds in high-quality interest-bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board of Directors. Such investment would be in accordance with applicable law and the investment policies approved by the Board of Directors or any committee thereof from time to time.

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Board of Directors or any other person authorized by Board of Directors shall monitor the utilisation of the proceeds of the Tranche I Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing from the financial year ending March 31, 2021, the utilisation of the proceeds of the Tranche I Issue under a separate head/note along with details, if any, in relation to all such proceeds of the Tranche I Issue that have not been utilised thereby also indicating investments, if any, of such un-utilised proceeds of the Tranche I Issue. Further, in accordance with the SEBI Debt Regulations, our Company will furnish to the Stock Exchange(s) on a half yearly basis, a statement indicating material deviations, if any, in the use of Tranche I Issue proceeds and shall also publish the same in newspapers simultaneously with the half-yearly financial results in the terms of and as per the format prescribed by Circular SEBI/HO/DDHS/08/20 SEBI 20 dated January 17, 2020. We shall utilize the proceeds of the Tranche I Issue only upon

execution of the documents for creation of Security and the Debenture Trust Deed and receipt of listing and trading approval from the Stock Exchange as stated in this Tranche I Prospectus in the section titled “*Terms of the Issue*” on page 46 of the Tranche I Prospectus.

Other Confirmations

In accordance with the SEBI Debt Regulations, our Company will not utilise the proceeds of the Tranche I Issue for providing loans to or acquisition of shares of any person who is a part of the same group as our Company or who is under the same management as our Company.

The Tranche I Issue proceeds shall not be utilised towards full or part consideration for the purchase or any other direct or indirect acquisition, *inter alia* by way of a lease, of any immovable property.

No part of the proceeds from this Tranche I Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel, or companies promoted by our Promoter except payments to be made by way of fees and commission to our group companies that participate in the Issue as SEBI registered intermediaries.

No part of the proceeds from this Tranche I Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further the Company undertakes that Tranche I Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

Our Company confirms that it will not use the proceeds of this Tranche I Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

We shall utilize the Tranche I Issue proceeds only upon execution of Debenture Trust Deed, creation of relevant security for the NCDs, receipt of minimum subscription, i.e. 75% of base issue relating to Tranche I Issue and upon receipt of the listing and trading approval from the Stock Exchange as stated in this Tranche I Prospectus in the section titled “*Terms of the Issue*” beginning on page 46.

Utilisation of the proceeds of the Tranche I Issue

- (a) All monies received pursuant to the Tranche I Issue of NCDs to public shall be transferred to a separate bank account maintained with the Public Issue Account Bank as referred to in sub-section (3) of section 40 of the Companies Act, 2013, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company’s bank account after receipt of listing and trading approvals.
- (b) The allotment letter shall be issued or application money shall be refunded in accordance with the applicable law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- (c) Details of all monies unutilised out of the monies to be raised through this Tranche I Issue, shall be disclosed and continued to be disclosed under an appropriate separate head/note in our financial statements till the time any part of the proceeds of the Tranche I Issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- (d) Details of all monies utilised out of the monies to be raised through this Tranche I Issue, shall be disclosed and continued to be disclosed under an appropriate separate head/note in our financial statements indicating the purpose for which such monies have been utilized.
- (e) We shall utilize the Tranche I Issue proceeds only after (i) receipt of minimum subscription, i.e. 75% of the Base Issue pertaining to Tranche I Issue; (ii) completion of Allotment and refund process in compliance with Section 40

of the Companies Act, 2013; (iii) creation of security; and (iv) obtaining listing and trading approval as stated in the Tranche I Prospectus in the section titled “*Issue Structure*” beginning on page 42 of this Tranche I Prospectus.

Variation in terms of contract or objects in this Tranche I Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Tranche I Prospectus is issued, except as may be prescribed under the applicable laws and except subject to the approval of or subject to an authority given by the shareholders in general meeting by way of special resolution and after abiding by all the formalities prescribed in Section 27 of the Companies Act, 2013.

Benefit / interest accruing to Promoters or Directors out of the objects of the Tranche I Issue

There is no benefit or interest accruing to the Promoters or Directors from the Objects of the Tranche I Issue.

STATEMENT OF TAX BENEFITS

Gandhi Minocha & Co.
Chartered Accountants
B-6 Shakti Nagar extension,
Near Laxmi Bai College,
Delhi – 110 052
manojbhardwaj@gandhiminocha.com

Dass Gupta & Associates
Chartered Accountants
NDG Center,
B-4, Gulmohar Park
New Delhi – 110 049
admin@dassgupta.com

Date: 30/12/2020

To,
Power Finance Corporation Limited
'Urjanidhi',
1, Barakhamba Lane, Connaught Place,
New Delhi - 110 001, India.

Dear Ma'am/Sir,

Re: Proposed Public Issue of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("NCDs") of face value ₹ 1,000 each aggregating up to Rs. 10,000 crores by Power Finance Corporation Limited ("Company") in one or more tranches from time to time ("Issue")

This is to certify that "*Statement of Tax Benefits*" is as incorporated in **Annexure A** and is in the form it appears in the Draft Shelf Prospectus / Shelf Prospectus / Tranche Prospectus(es) ("**Offer Document**"). We consent to its reproduction in the Offer Document.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. Our views are not binding on any authority or court, and so, no assurance is given that a position contrary to that expressed herein would not be asserted by any authority and ultimately sustained by an Appellate Authority or a Court of law. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

This statement has been prepared solely in connection with the Issue under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended.

The statement is neither a reproduction nor an extract of the relevant provisions of the Income Tax Act, 1961 and is an attempt to correlate the relevant provisions in a simplified manner.

We undertake to immediately inform the Lead Managers and legal counsels in case of any changes or any material developments in respect to the matters covered above only upon receipt of knowledge of the same from the Company till the listing of the securities. In the absence of any such communication, it may be assumed that the above information is accurate and updated and there is no change in respect of the matters covered in this certificate.

We also authorize you to deliver a copy of this letter pursuant to the provisions of the Companies Act, 2013 to Securities and Exchange Board of India, the Registrar of Companies, the stock exchanges or any other regulatory authority as required by law. We further consent to the above details being included for the Records to be maintained by the Lead Managers in connection with the Issue and in accordance with applicable laws.

This letter may be relied upon by Lead Managers and the legal advisors to the Issue in respect of the Issue.

Sincerely,

For and on behalf of

Gandhi Minocha & Co.
Authorized Signatory

Dass Gupta & Associates
Authorized Signatory

Name: CA Manoj Bhardwaj
Designation: Partner
Membership Number: 098606
Date: 30.12.2020
Firm Membership Number: 000458N
Place: New Delhi
UDIN: 20098606AAAADD8880

Name: CA Naresh Kumar
Designation: Partner
Membership Number: 082069
Date: 30.12.2020
Firm Membership Number: 000112N
Place: New Delhi
UDIN: 20082069AAAAAR7077

CC:

Trust Investment Advisors Private Limited

109/110, Balarama,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051,
Maharashtra, India

A. K. Capital Services Limited

30-38, Free Press House,
3rd Floor, Free Press Journal Marg,
215, Nariman Point,
Mumbai, 400 021,
Maharashtra, India.

Edelweiss Financial Services Limited

Edelweiss House, Off. C.S.T Road,
Kalina, Mumbai 400 098,
Maharashtra, India

JM Financial Limited

7th Floor,
Cnergy Appasaheb Marathe Marg
Prabhadevi,
Mumbai - 400 025
Maharashtra, India

ANNEXURE

STATEMENT OF SUMMARY OF TAX BENEFITS

The information provided below sets out the possible direct tax benefits available to the debenture holders of the company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of non-convertible debentures ("debentures"), under the current tax laws presently in force in India. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a debenture holder faces, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company or its debenture holders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

Debenture holders are advised to consult their own tax consultant with respect to the tax implications of an investment in the debentures particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

The statement is neither a reproduction nor an extract of the relevant provisions of the Income Tax Act, 1961 and is an attempt to correlate the relevant provisions in a simplified manner.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

Under the Income-Tax Act, 1961 ("I.T. Act")

I. Tax benefits available to the Resident Debenture Holders

Interest on debentures received by resident debenture holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. As per section 2(29A) read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

As per section 112 of the I.T. Act, Capital gains arising on the transfer of long term capital assets being listed debentures are subject to tax at the rate of 10% (plus applicable surcharge and Cess) of capital gains calculated without indexation of the cost of acquisition (i.e. without giving effect to Second Proviso to Sec 48). The capital gains shall be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the debentures from the sale consideration. In certain cases, Capital gains is exempted under section 54EE and 54F (refer para no. III)

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

As per section 2(42A) of the I.T. Act, a listed debenture is treated as a short term capital asset if the same is held for not more than 12 months immediately preceding the date of its transfer. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax described at para 3 above would also apply to such short term capital gains.

In case debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

No income tax is deductible at source in respect of any security issued by a Company in a dematerialized Form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act 1956 and the rules made thereunder. However, Income tax is deductible at source on interest on debentures, payable to resident debenture holders, where such securities are held in physical form, at the time of credit / payment as per the provisions of section 193 of the I.T. Act.

Interest on application money and interest on refund application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and TDS would be deducted at the time of credit/payment as per the provisions of Section 194A of the I.T. Act.

II. Tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

III. Exemption under Section 54EE and 54F of the I.T. Act

As per provisions of Section 54EE of the I.T. Act, long term capital gains arising to debenture holders on transfer of their debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified units within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified units are transferred within three years from their date of acquisition, the amount of capital gain exemption claimed earlier would become chargeable tax as long term capital gains in the year in which units are transferred. Further, in case where loan or advance on the security of such notified units is availed, such notified units shall be deemed to have been transferred on the date on which such loan or advance is taken. However, the amount of exemption with respect to the investment made in the aforesaid notified units during the financial year in which such debentures are transferred and the subsequent financial year, should not exceed Rs. 50 lacs.

As per provisions of section 54F of the I.T. Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a debenture holders who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis.

This exemption is available, subject to the condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exemption claimed earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

If the debenture holder is unable to re-invest capital gains in the above specified investment before furnishing the return of income and specified time limit for the investment has not expired, he may deposit such unutilised capital gain in the capital gains account before furnishing return of income but not beyond the due date for furnishing return of income under the prescribed Capital Gains Account Scheme, 1988, in order to still claim the exemption from capital gains tax. **Requirement to furnish PAN under the I.T. Act**

1. Section 139A(5A) of the I.T. Act requires every person receiving any sum or income or amount from which tax has been deducted under Chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deducting such tax.
2. Section 206AA of the I.T. Act requires every person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB ("deductee") to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:
 - a) at the rate specified in the relevant provision of the I. T. Act; or
 - b) at the rate or rates in force; or
 - c) at the rate of twenty per cent.
3. As per Rule 37BC, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect, of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).
4. A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per para (I) above in such a case.
5. Where a wrong PAN is provided, it will be regarded as non – furnishing of PAN and para (I) above will apply apart from penal consequences.

IV. Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where any person receives debentures from any person on or after 1st April, 2017:

Without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;

For a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration shall be taxable as the income of the recipient at the normal rates of tax. The above is subject to few exceptions as stated in section 56(2)(x) of the I. T. Act.

NOTES:

- The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by Finance Act, 2020.
- All tax rates, surcharge and cess mentioned above are stated on the basis of prevailing rates as on date and are subject to change from time to time.

Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act.

MATERIAL DEVELOPMENTS

Except as mentioned in the Shelf Prospectus and this Tranche I Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing this Tranche I Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets after Tranche I Prospectus, or its ability to pay its liability within next twelve months. Our Company further confirms that this Tranche I Prospectus contains all disclosures which are true and adequate to enable prospective investors to make an informed investment decision in this Tranche I Issue and does not contain any untrue statement of a fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

All disclosures made in this Tranche I Prospectus, read together with the Shelf Prospectus as the “Prospectus” with respect to Tranche I Issue are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed Tranche I Issue. The Prospectus is true and correct in all respects and is not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

SECTION III – ISSUE RELATED INFORMATION

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue is being made pursuant to the resolution passed by the Board on February 12, 2020.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders of the Company at the Annual General Meeting of the Company on September 29, 2020.

Eligibility to make the Issue

Our Company, the persons in control of our Company, our Directors or our Promoter have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Neither our Company nor our Directors is a Wilful Defaulter or it is in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

Consents

Consents in writing of the Directors, the Chief Financial Officer / Director (Finance), the Company Secretary and Compliance Officer of the Company, the Statutory Auditors, Bankers to the Company, Lead Managers, Registrar to the Issue, legal counsel to the Issue, Credit Rating Agencies, CARE Ratings Limited for the use of the reports titled (i) The Indian Power Sector (Economics) in 2019-20 dated March 31, 2020; (ii) Power sector update (Economics) dated November 9, 2020; (iii) Oil and Gas FY20 update and FY21 outlook (Industry Research) dated May 18, 2020; (iv) Coal Update – October 2020; (v) Coal Update (Industry Research) – June 2020 dated June 15, 2020; (vi) Natural Gas H1-FY21 update (Industry Research) dated October 22, 2020 and (vii) Crude Oil H1-FY21 update (Industry Research) dated October 22, 2020, Bankers to the Issue, Consortium Members and the Debenture Trustee, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Shelf Prospectus and this Tranche I Prospectus with the RoC.

Our Company has appointed Beacon Trusteeship Limited as the Debenture Trustee under regulation 4(4) of the SEBI Debt Regulations. The Debenture Trustee has given its consent to our Company for its appointment as Debenture Trustee to the Issue, pursuant to regulation 4(4) of the SEBI Debt Regulations and for its name to be included in the Draft Shelf Prospectus, Shelf Prospectus, Tranche Prospectus(es), and in all related advertisements, communications to the NCD holders or filings pursuant to the Issue, which is enclosed as Annexure B.

Expert Opinion

Except for the consent of (i) the Statutory Auditors dated December 30, 2020, to include their respective names as required under Section 26(1) of the Companies Act, 2013 and SEBI Debt Regulations in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 and Section 26(5) of the Companies Act, 2013 in relation to their examination reports, dated December 30, 2020, on Reformatted Consolidated Financial Information under IGAAP, the Reformatted Consolidated Financial Information under IND-AS, the Reformatted Standalone Financial Information under IND-AS and Reformatted Standalone Financial Information under IGAAP; (ii) the Statutory Auditors in their report dated December 30, 2020, on the statement of tax benefits, and (iii) the limited review report dated November 12, 2020, on the Limited Review Financial Results, our Company has not obtained any expert opinions in respect of the Issue.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, TRUST INVESTMENT ADVISORS PRIVATE LIMITED, A.K. CAPITAL SERVICES LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND JM FINANCIAL LIMITED HAVE CERTIFIED THAT DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN

CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED AND IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, TRUST INVESTMENT ADVISORS PRIVATE LIMITED, A.K. CAPITAL SERVICES LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND, JM FINANCIAL LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 11, 2021 WITH THE FOLLOWING INFORMATION:

- 1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTER OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE ISSUE WILL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN.**
- 3. WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008.**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND TO THE EXTENT NOTIFIED, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

WE CONFIRM THAT WE HAVE NOT RECEIVED ANY COMMENTS OR COMPLAINTS ON THE DRAFT PROSPECTUS DATED DECEMBER 31, 2020 FILED ON THE WEBSITE OF BSE LIMITED (THE DESIGNATED STOCK EXCHANGE).

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL DATED JANUARY 07, 2021 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR**
- B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR**
- A. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;**

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR, OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO

SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY ANY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED FEBRUARY 10, 1998 BEARING REGISTRATION NO 14.00004 AND CERTIFICATE OF REGISTRATION DATED JULY 28, 2010 BEARING REGISTRATION NO B-14.00004 CLASSIFYING THE COMPANY UNDER THE CATEGORY NBFC AND NBFC-ND-IFC. HOWEVER, THE RESERVE BANK OF INDIA DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO FINANCIAL SOUNDNESS OF THE COMPANY OR CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS / DISCHARGE OF LIABILITIES BY THE COMPANY.

Disclaimer in Respect of Jurisdiction

The Tranche I Issue is being made in India, to investors from Category I, Category II, Category III and Category IV. This Tranche I Prospectus will not, however constitute an offer to sell or an invitation to subscribe to the NCDs offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession of this Tranche I Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Guarantee or Letter of Comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Arrangers

No arrangers have been appointed for this Issue.

Minimum Subscription

Under the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% (i.e. Rs. 375 crore) of Base Issue Size prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within six Working Days from the Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within six Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate prescribed under applicable laws.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 (“UPI Mechanism Circular”) and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“Debt ASBA Circular”).

Filing of the Draft Shelf Prospectus

A copy of the Draft Shelf Prospectus dated December 31, 2020 has been filed with the Designated Stock Exchange in terms of Regulation 7 of the SEBI Debt Regulations for dissemination on their website and with SEBI.

Filing of the Shelf Prospectus and Tranche I Prospectus with the RoC

A copy of the Shelf Prospectus and this Tranche I Prospectus have been filed with the Registrar of Companies in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any listed non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures.

The Government, in the union budget for the Financial Year 2019-20 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue.

The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law.

Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at fifteen percent of the amount of the debentures maturing during the year ending on 31st day of March of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

- A. in deposits with any scheduled bank, free from any charge or lien
- B. in unencumbered securities of the Central Government or any State Government;
- C. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
- D. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company undertakes to create a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Underwriting

This Tranche I Issue shall not be underwritten.

Identification as Wilful Defaulter

Neither our Company or any of our Directors have been identified as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI/ECGC or any other governmental authority nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months.

Change in Auditors of our Company during the last three years

The following are the details of change in the auditors of our Company during the last three years:

S. No.	Financial Year	Name	Address	Date of Appointment/ Cessation	Auditor of the Company since (in case of Cessation)	Remark (if any)
1.	2019- 20	M/s Dass Gupta & Associates Chartered Accountants, ICAI Firm Registration: 000112N	NDG Center, B-4, Gulmohar Park, New Delhi 110049	August 1, 2019	-	Appointed by the CAG.
2.	2018- 19	M/s Gandhi Minocha & Co. Chartered Accountants, ICAI Firm Registration: 000458N	B-6, Shakti Nagar Extension, New Delhi – 110052	July 11, 2017	-	Appointed by the CAG.
3.	2018-19	M/s M.K. Aggarwal & Co., Chartered Accountants ICAI Firm Registration: 01411N	30, Nishat Kunj, Pitam Pura, New Delhi-110034	Ceased to be the statutory auditor w.e.f. AGM for Fiscal 2019 i.e. August 27, 2019.	Auditors are appointed by CAG for a financial year and first time M.K. Agarwal & Co. was appointed PFC's auditors on July 12, 2016	The CAG communicated the change of auditors vide letter dated July 12, 2016
4.	2017-18	M/s K.B. Chandna & Co., Chartered Accountants ICAI Firm Registration: 00862N	E-27, South Extension Part-II, New Delhi-110049	Ceased to be the statutory auditor w.e.f. date of AGM i.e. September 11, 2018	Appointed on July 29, 2013	The CAG communicated the change of auditors vide letter dated July 12, 2016

Revaluation of Assets

Our Company has not revalued its loan assets in the last five Fiscal Years.

Reservation

No portion of the Tranche I Issue has been reserved.

Reservations or Qualifications or Adverse Remarks of Auditors

There have been no reservations of qualifications or adverse remarks of auditors in the last five Financial Years.

Statement by the Board of Directors

- (i) All monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account other than the bank account referred to in section 40(3) of the Companies Act, 2013;
- (ii) Details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;
- (iii) Details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested; and

- (iv) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Track Record of Past Public Issues handled by the Lead Managers

The track record of past public issues handled by Trust Investment Advisors, A.K. Capital, Edelweiss, and JM Financial are available at www.trustgroup.in, www.akgroup.co.in, www.edelweissfin.com and www.jmfl.com respectively.

Listing

The NCDs will be listed on BSE. BSE is the Designated Stock Exchange. BSE has given in-principle listing approval through their letter dated January 07, 2021.

If the permission to list and trade the NCDs has not been granted by the Stock Exchange(s), our Company shall repay all such moneys received from the Applicant in pursuance of the Shelf Prospectus and this Tranche I Prospectus in compliance with applicable law. Our Company shall use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange(s) will be taken within six Working Days from the Tranche I Issue Closing Date for the Tranche I Issue.

Previous Issue

Except as stated in the sections titled “*Capital Structure*”, and “*Financial Indebtedness*” on pages 43 and 150 of the Shelf Prospectus, respectively, our Company has not made any other issue of non-convertible debentures. The proceeds from the previous issuance of non-convertible debentures by the Company have been utilised, *inter alia*, to augment long-term resources of the Company for the purpose of carrying out its functions authorized under the object clause of the Memorandum of Association of the Company. Other than as specifically disclosed in the Shelf Prospectus, our Company has not issued any securities for consideration other than cash.

Utilisation of proceeds of previous issues by our Company

Since the initial public offering of our Company in FY 2007 and the further public offering in FY 2011- 2016 our Company has not made any public issues of Equity Shares.

Details of utilization of proceeds of previous public issues of debentures by our Company are as follows:

1. Our Company came out with a public issue of long term infrastructure bonds of face value of ₹ 5,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount upto ₹ 5,300.00 crore in February, 2011. The amount mobilised through this issue was ₹ 235.36 crore. These long term infrastructure bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on February 24, 2011 and closed on March 22, 2011. The date of allotment and the date of refund was March 31, 2011. The long term infrastructure bonds offered pursuant to such issue were listed on April 11, 2011 on BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

2. Our Company came out with a public issue of long term infrastructure bonds of face value of ₹ 5,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 200.00 crore with an option to retain an oversubscription upto the shelf limit (i.e. ₹ 6,900.00 crore) in September 2011. The amount mobilised through this issue was ₹ 95.64 crore. These long term infrastructure bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on September 29, 2011 and closed on November 4, 2011. The date of allotment was November 21, 2011 and the date of refund was November 23, 2011. The long term infrastructure bonds offered pursuant to such issue were listed on December 02, 2011 on BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

3. Our Company came out with a public issue of tax free bonds of face value of ₹ 1,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 1,000.00 crore with an option to retain an oversubscription upto the shelf limit (i.e. ₹ 4,033.13 crore) in December, 2011. These tax free bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on December 30, 2011 and closed on

January 16, 2012. The date of allotment was February 1, 2012 and the date of refund was February 3, 2012. The tax free bonds offered pursuant to such issue were listed on February 14, 2012 on the BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

4. Our Company came out with a public issue of tax free bonds tranche - I of face value of ₹ 1,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 1,000.00 crore with an option to retain an oversubscription upto the shelf limit (i.e. ₹ 4,590.00 crore) in December, 2012. These tax free bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on December 14, 2012 and closed on December 27, 2012. The date of allotment was January 4, 2013 and the date of refund was January 7, 2013. The tax free bonds offered pursuant to such issue were listed on January 10, 2013 on the BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

5. Our Company came out with a public issue of tax free bonds tranche - II of face value of ₹ 1,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 100.00 crore with an option to retain an oversubscription upto the residual shelf limit (i.e. ₹ 3,890.25 crore) in February, 2013. These tax free bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on February 18, 2013 and closed on March 19, 2013. The date of allotment was March 28, 2013 and the date of refund was March 30, 2013. The tax free bonds offered pursuant to such issue were listed on April 03, 2013 on the BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

6. Our Company came out with a public issue of tax free bonds tranche - I of face value of ₹ 1,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 100.00 crore with an option to retain an oversubscription upto the residual shelf limit (i.e. ₹ 3,875.90 crore) in October 2013. These tax free bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on October 14, 2013 and closed on November 5, 2013. The date of allotment was November 16, 2013 and the date of refund was November 16, 2013. The tax free bonds offered pursuant to such issue were listed on November 19, 2013 on the BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

7. Our Company came out with a public issue of tax free bonds tranche - I of face value of ₹ 1,000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 100.00 crore with an option to retain an oversubscription upto the residual shelf limit (i.e. ₹ 600.00 crore) in September 2015. These tax free bonds are outstanding as on the date of this Tranche I Prospectus. The issue opened on October 5, 2015 and closed on October 6, 2015. The date of allotment was October 17, 2015 and the date of refund was October 19, 2015. The tax free bonds offered pursuant to such issue were listed on October 20, 2015 on the BSE.

Utilization of the issue proceeds: The issue proceeds have been utilized in accordance with the objects of the issue.

Details regarding the Company and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years

There are no listed companies under the same management / associate companies as described under the Companies Act, 2013, which have made any public capital issuances during the previous three years from the date of this Tranche I Prospectus.

Utilisation of proceeds by our Group Companies

Other than our Subsidiaries, our Company does not have any Group Companies. Further, till March 31, 2020, the proceeds of public capital issuances by REC Limited, have been utilised for the purposes for which such funds have been raised. The issue proceeds have been utilized in accordance with the objects of the relevant issue.

Our lending policies

For details in relation our lending policies, please see “Our Business – Risk Management” and “Our Business – Project and Entity Appraisal Process” on pages 81 and 103 of the Shelf Prospectus respectively.

Loans advanced by the Company

A. Types of loans

Type of loans/advances (principal outstanding) given by the Company as on March 31, 2020:

S. No	Type of loan	Amount (₹in crore)	Percentage (%)
1	Secured	2,86,595.30	83.09%
2	Unsecured	58,309.27	16.91%
	Total AUM	3,44,904.57	100.00%

Types of loans according to sectoral exposure as on March 31, 2020 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	Retail	
a	Mortgages (home loans and loans against property)	N.A.
b	Gold loans	N.A.
c	Vehicle finance	N.A.
d	MFI	N.A.
e	M&SME	N.A.
f	Capital market funding (loans against shares, margin funding)	N.A.
h	Others	N.A.
2	Wholesale	
a	Infrastructure	N.A.
b	Real estate (including builder loans)	N.A.
c	Promoter funding	N.A.
d	Any other sector (as applicable)	N.A.
3	Others	
a	Generation	58.04%
b	Renewable	10.73%
c	Transmission & Distribution	30.46%
d	Others	0.78%
	Total	100.00%

Denomination of loans outstanding by ticket size as on March 31, 2020:

S. No	Ticket size (at the time of origination)*	Percentage of AUM
1.	Up to ₹ 2 Lakh	N.A.
2.	₹2-5 Lakh	N.A.
3.	₹5-10 Lakh	N.A.
4.	₹10-25 Lakh	N.A.
5.	₹25-50 Lakh	N.A.
6.	₹50 Lakh - 1 Crore	N.A.
7.	₹1-5 Crore	0.00%
8.	₹5-25 Crore	0.09%
9.	₹25-100 Crore	0.58%
10.	>₹100 Crore	99.33%
	Total	100.00%

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

Denomination of loans outstanding by LTV* as on March 31, 2020: Not applicable**

S. No	LTV	Percentage of AUM
1.	Up to 40%	-
2.	40-50%	-
3.	50-60%	-

S. No	LTV	Percentage of AUM
4.	60-70%	-
5.	70-80%	-
6.	80-90%	-
7.	>90%	-
Total		-

*LTV at the time of origination.

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

Geographical classification of borrowers as on March 31, 2020:

S. No.	Top 5 states / region*	Percentage of AUM
1.	Telangana	12.76%
2.	Tamil Nadu	12.62%
3.	Uttar Pradesh	11.54%
4.	Rajasthan	11.15%
5.	Andhra Pradesh	9.37%
Total		57.44%

*Includes only state sector borrowers.

Further, for details in relation to loans given by the Company to associates, companies/entities/persons relating to Board, senior management, Promoter, or the other parties covered in the register maintained under Section 189 of the Companies Act, 2013, please refer to the section titled "Financial Statements" beginning on page 379 of the Shelf Prospectus.

B. Aggregated exposure to top 20 borrowers with respect to concentration of advances (principal amounts outstanding) as on March 31, 2020

Aggregated Exposure to Top 20 Borrowers (Concentration of advances)	Amount
Total Advances to twenty largest borrowers (in ₹in crore)	2,06,588.74
Percentage of Advances to twenty largest borrowers to Total Advances (in %)	59.90%

C. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2020

Aggregated Exposure to Top 20 Borrowers (Concentration of exposures)	Amount*
Total exposure to twenty largest borrowers / customers (in ₹in crore)	2,06,588.74
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers (in %)	59.90%

*As per IND-AS balances

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

Movement of gross Stage-3 Assets*	Amount (₹in crore)**
(a) Opening balance	29,540.31
(b) Additions during Financial Year ended on March 31, 2020	1045.69
(c) Reductions during Financial Year ended on March 31, 2020	(2714.30)
(d) Closing balance	27,871.70

*As per the ECL Model.

**As per IND-AS balances.

Movement of provisions for gross Stage-3 Assets (in accordance with ECL Model)	Amount (₹in crore)*
(a) Opening balance	15,021.01
(b) Provisions made during the Financial Year ended on March 31, 2020	957.21
(c) Write-off / write -back of excess provisions	(1410.39)
(d) Closing balance	14,748.46

*As per IND-AS balances

E. Segment – wise Gross Stage-3 Assets as on March 31, 2020

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	Retail	
a	-Mortgages (home loans and loans against property)	N.A.
b	-Gold loans	N.A.
c	- Vehicle finance	N.A.
d	-MFI	N.A.
e	-M&SME	N.A.
f	-Capital market funding (loans against shares, margin funding)	N.A.
h	-Others	N.A.
2	Wholesale	
a	-Infrastructure	N.A.
b	-Real estate (including builder loans)	N.A.
c	-Promoter funding	N.A.
d	-Any other sector (as applicable)	N.A.
3	Others	
a	Generation	85.90%
b	Renewable	1.22%
c	Transmission & Distribution	9.60%
d	Others	3.28%
	Total	100.00%

F. Classification of borrowings as on March 31, 2020 (outstanding principal amounts)

S. No	Type of Borrowings	Amount (₹in crore)	Percentage
1	Secured	25,317.28	8.34%
2	Unsecured	2,78,134.88	91.66%
Total		3,03,452.16	100.00%

G. Promoter Shareholding

Please refer to the chapter “Capital Structure” on page 43 of the Shelf Prospectus for details with respect to Promoter shareholding in our Company as on December 31, 2020.

H. Maturity pattern of certain items of assets and liabilities on a standalone basis as on March 31, 2020

(₹ in crore)

Bucket As at 31.03.2020	Deposits / Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
Upto 30/31 Days	0.00	1,529.70	8,046.86	0.00	5.40
Over 1 Month upto 2 Month	1519.90	492.70	5,988.50	0.00	0.00
Over 2 Months upto 3 Month	0.00	416.63	10,845.00	0.00	6.09
Over 3 Month & upto 6 Month	0.00	3,511.49	17,351.67	0.00	1,130.79
Over 6 Month & upto 1 Year	0.00	18,837.19	5,305.25	0.00	2,156.10
Over 1 Year & upto 3 Years	0.00	59,187.06	57,474.09	0.00	11,493.88
Over 3 Years & upto 5 Years	0.00	56,046.51	60,813.03	0.00	10,231.67
Over 5 Years	14,953.42	1,90,314.82	90,071.03	0.00	22,676.86
Total	16,473.32	3,30,336.10	2,55,895.43	(0.00)	47,700.79

I. Onward lending to borrowers forming part of the “group” as defined by RBI

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

Mechanism for redressal of investor grievances

KFin Technologies Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints. Pursuant to the Registrar Agreement, our Company will provide for retention of records with the Registrar for a period of at least eight years from the last date of despatch of the letters of allotment, demat credit and refund credit to enable the investors to approach the Registrar for redressal of their grievances.

All grievances relating to the Issue should be addressed to the Registrar to the Issue and the Compliance Officer of the Company giving full details of the Applicant (including the DP ID, Client ID and PAN), number of NCDs applied for, amount paid on application series applied for and Member of the Consortium or Trading Member or SCSB to which the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of the Registrar to the Issue are as follows:

KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)

Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally
Hyderabad Rangareddy, Telangana– 500 032

Telephone: +91 40 6716 2222

Facsimile: +91 40 2343 1551

Email: pfc.ncd2020@kfintech.com

Investor Grievance Email: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person: Mr. M. Murali Krishna

SEBI Registration No.: INR000000221

CIN: U72400TG2017PTC117649

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with and is qualified in its entirety by more detailed information in “*Terms of the Issue*” and “*Issue Procedure*” on pages 46 and 63.

The NCDs being offered as part of the Tranche I Issue are subject to the provisions of the SEBI Debt Regulations, the Debt Listing Agreement, and the Companies Act, 2013, the RBI Act, the terms of the Shelf Prospectus, this Tranche I Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the GoI, and other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Issuer	Power Finance Corporation Limited
Type of instrument	Secured redeemable non-convertible debentures
Nature of instrument / Seniority	Secured redeemable non-convertible debentures
Mode of issue	Public issue
Eligible Investors	See the section titled “ <i>Issue Procedure</i> ” on page 63
Listing	The NCDs shall be listed on the Stock Exchange within six Working Days from the Issue Closing Date.
Rating of the instrument	‘CARE AAA; Stable’ by CARE; ‘CRISIL AAA / Stable’ by CRISIL; and ‘[ICRA]AAA(Stable)’ by ICRA.
Base Issue size	₹ 500 crore
Option to retain oversubscription	₹ 4500 crore
Objects of the Issue	See the section titled “ <i>Objects of the Tranche I Issue</i> ” on page 21.
Details of utilization of proceeds	See the section titled “ <i>Objects of the Tranche I Issue</i> ” on page 21.
Coupon rate	See the section titled “ <i>Terms of the Issue</i> ” on page 46].
Step up or step down coupon rates	Not applicable
Coupon payment frequency	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Coupon payment dates	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Coupon type	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Coupon reset process	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated or prescribed under applicable laws. If the Issuer fails to execute the trust deed within the stipulated regulatory timeframe, it shall also pay interest of at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed.
Day count basis	Actual / Actual.
Interest on Application Money	As per applicable law.
Tenor	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Redemption Dates	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Redemption Amount	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Redemption Premium or Discount	See the section titled “ <i>Terms of the Issue</i> ” on page 46.
Issue Price (in ₹)	₹ 1000 per NCD
Discount at which security is issued and the effective yield as a result of such discount	Not applicable.
Put Date or Put Price or Call Date or Call Price or Put	Not applicable.

Notification Time or Call Notification Time	
Face Value (in ₹)	₹ 1,000 per NCD.
Minimum application size and in multiples of debt securities thereafter	₹10,000 (10 NCDs) across all series collectively and in multiples of ₹ 1000 (1 NCDs) thereafter.
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date	1. January 15, 2021 2. January 29, 2021 3. Application date (the entire application amount is payable on application date)
Deemed Date of Allotment	The date on which the Authorized Officials approve the Allotment of the NCDs for this Tranche I Issue, or such other date as may be determined by the Authorized Officials and notified to the Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified in this Tranche I Prospectus for this Tranche I Issue) shall be available to the Debenture Holders from the Deemed Date of Allotment.
Issuance mode of the instrument	Dematerialised form only.
Trading	In dematerialised form only.
Settlement	See the section titled “ <i>Terms of the Issue</i> ” on page 46 of this Tranche I Prospectus.
Depositories	NSDL and CDSL.
Business day convention/ Working Day	<p>Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India when stock exchanges are closed for trading. Furthermore, for the purpose of post Issue period, i.e. period beginning from the Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of the stock exchanges in India excluding Sundays and bank holidays in Mumbai. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.</p> <p>Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If the interest payment date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such interest payment date were a Working Day. Further, the future interest payment dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.</p> <p>If Redemption Date (also being the last interest payment date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest/ redemption payments shall be made only on the subsequent day when the money market is functioning in Mumbai.</p>
Record Date	<p>The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Company from time to time in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be.</p> <p>In case Record Date falls on a day when Depositories are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.</p>

Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate	<p>The principal amount of the NCDs to be issued in terms of this Tranche I Prospectus with all interest accrued on the NCDs shall be secured by way of first <i>pari passu</i> charge through hypothecation of the book debts/receivables (excluding the book debts / receivables on which a specific charge has already been created by the Company).</p> <p>We have received necessary consents from the relevant debenture trustees, lenders to the Company for ceding <i>pari passu</i> charge in favour of the Debenture Trustee in relation to the NCDs.</p> <p>The security is estimated to be created prior to the listing of the NCDs.</p> <p>The revaluation and replacement of the security shall be in accordance with the Debenture Trust Deed.</p>
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	In accordance with the Debenture Trust Deed.
Transaction documents	Transaction documents shall mean the Abridged Prospectus, Draft Shelf Prospectus, the Shelf Prospectus, Tranche I Prospectus and any notices, corrigenda, addenda thereto, Issue Agreement, Registrar Agreement, Debenture Trust Deed, Debenture Trust Agreement, Application Form, Public Issue Account and Sponsor Bank Agreement, Consortium Agreement and Tripartite Agreements executed or to be executed by our Company, as the case may be. For further details please see the section titled, " <i>Material Contracts and Documents for Inspection</i> " on page 93
Conditions Precedent to Disbursement	In accordance with the Debenture Trust Deed.
Conditions Subsequent to Disbursement	In accordance with the Debenture Trust Deed.
Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please see the section titled " <i>Issue Structure</i> " on page 42
Creation of recovery expense fund	Our Company undertakes to deposit, in the manner as maybe specified by SEBI from time to time, the amount in the recovery expense fund and inform the Debenture Trustee regarding the deposit in such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	In accordance and as specified in the Debenture Trust Deed.
Cross default provisions	In accordance with the Debenture Trust Deed.
Roles and responsibility of the Debenture Trustee	Please see the section titled " <i>Terms of the Issue</i> " on page 46
Risk factors pertaining to the Issue	Please see the section titled " <i>Risk Factors</i> " on page 15 of the Shelf Prospectus
Governing law and jurisdiction	The NCDs are governed by and shall be construed in accordance with the existing Indian laws. Any dispute between the Company and the NCD Holders will be subject to the jurisdiction of competent courts in New Delhi.
Security cover	100% of the amount of outstanding NCDs and the interest thereon at any point of time.

* In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, our Company will undertake this public issue of the NCDs in dematerialised form.

**The Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m., during the period indicated in this Tranche I Prospectus, except that the Tranche I Issue may close on such earlier date or extended

date as may be decided by the Board. In the event of such an early closure of or extension of the Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors in all the newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche I Issue have been given, on or before such earlier date or initial date of closure. Applications Forms for the Tranche I Issue will be accepted only from 10.00 a.m. till 5.00 p.m. or such extended time as may be permitted by the Stock Exchange, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day post the Issue Closing Date.

While the NCDs are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Please see “Issue Procedure” on page 63 of this Tranche I Prospectus for details of category wise eligibility and allotment in the Issue.

Participation by any of the investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

In case of Application Form being submitted in joint names, Applicants should ensure that the demat account is also held in the same joint names, and the names are in the same sequence in which they appear in the Application Form.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions or consents or approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to the Issue.

For further details, please see section titled “Issue Procedure” on page 63.

TERMS OF THE ISSUE

Authority for the Issue

The Issue is being made pursuant to the resolution passed by the Board on February 12, 2020.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013, duly approved by the shareholders of the Company at the Annual General Meeting of the Company on September 29, 2020.

Specific Terms of the NCDs

Series	I	II	III	IV	V	VI	VII
Interest type	Fixed	Fixed	Fixed	Fixed	Floating #	Fixed	Fixed
Frequency of Interest Payment	Annual	Annual	Quarterly	Annual	Annual	Quarterly	Annual
Tenor	3 Years	5 Years	10 Years	10 Years	10 Years	15 Years	15 Years
Coupon (per cent.) for Category I & II	4.65%	5.65%	6.63%	6.80%	Benchmark FIMMDA 10Yr G-Sec (Annualised) + 55 BPS	6.78%	6.95%
Coupon (per cent.) for Category III & IV	4.80%	5.80%	6.82%	7.00%	Benchmark FIMMDA 10Yr G-Sec (Annualised) + 80 BPS	6.97%	7.15%
Effective Yield (per cent. per annum) for Category I & II	4.65%	5.65%	6.79%	6.80%	-	6.95%	6.95%
Effective Yield (per cent. per annum) for Category III & IV	4.80%	5.80%	6.99%	7.00%	-	7.15%	7.15%
Put and Call Options	Not applicable.						
Redemption amount (Rs. per NCD)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Redemption Date (from the Deemed Date of Allotment)	3 Years	5 Years	10 Years	10 Years	10 Years	15 Years	15 Years
Minimum Application	Rs. 10,000 (10 NCDs) across all Series collectively						
In multiples of thereafter	Rs. 1,000 (1 NCD)						
Face Value / Issue Price (Rs. / NCD)	Rs. 1,000 (1 NCD)						
Mode of Interest Payment	Through various options available.						

G-sec 10 Yr (annualized) is referred to as FIMMDA 10Yr G-sec benchmark published by FIMMDA Reference computed on an annualised basis as computed by FIMMDA.

The coupon will change according to annualised FIMMDA 10Yr G-sec benchmark, however, the spread will be fixed throughout the tenor of the Series V NCDs for respective categories till redemption.

The effective coupon will be subject to a floor rate of 5.80% p.a. and cap rate of 7.30% p.a. for Category I & II Investors.

The effective coupon will be subject to a floor rate of 6.00% p.a. and cap rate of 7.50% p.a. for Category III & IV Investors.

Floating rate will be calculated based on an average of 15 preceding calendar days from the Deemed Date of Allotment and/or Annual Interest Payment Date respectively of FIMMDA 10Yr G-sec on an annualised basis plus the fixed spread of interest rate for respective category of investors.

The Floating Coupon to be rounded upto 2 decimal points.

For the purpose of Series V NCDs (10 Year Floating Rate Bonds), the cash flows shall change in accordance with change in Reference FIMMDA 10Yr G-sec Benchmark and subject to floor and cap on floating interest rates.

* Our Company shall allocate and allot Series IV NCDs wherein the Applicants have not indicated their choice of the relevant NCD Series.

Note-1: If the Deemed Date of Allotment undergoes a change, the coupon payment dates, Redemption Dates and other cash flow workings shall be changed accordingly.

Note-2: The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA 'Handbook on market practices'.

For Series V NCDs

Our Company is offering Series V NCDs which carries floating interest rate based on FIMMDA 10Yr G-sec benchmark published by FIMMDA Reference computed by FIMMDA on an annualised basis plus applicable spread to various Categories of Investors. The specific spread for Category I and II Investors shall be 55 BPS and for Category III and IV Investors shall be 80 BPS.

While the spread will be fixed throughout the tenor of the Series V NCDs, since the floating interest rate on such NCDs is an average of 15 preceding calendar days from the Deemed Date of Allotment and/or Annual Interest Payment Date respectively of FIMMDA 10Yr G-sec on an annualised basis plus the fixed spread of interest rate for respective category of investors and will change according to change in FIMMDA 10Yr G-sec benchmark.

Additional terms specific to Series V NCDs

Instrument	G-Sec Linked Floating Rate NCDs
Type of Instrument	Secured, Redeemable Non-Convertible Debentures
Calculation Period	For the relevant Interest Payment Date, average of 15 preceding calendar days of the previous Interest Payment Date
FIMMDA 10Yr G-sec Benchmark	Reference FIMMDA 10Yr G-sec Benchmark computed on annualized basis for the relevant Calculation Period published by FIMMDA (http://www.fimmda.org/)
Coupon	FIMMDA 10Yr G-sec Benchmark plus an applicable fixed spread
Reset Period	Annually

The effective coupon will be subject to a floor rate of 5.80% p.a. and cap rate of 7.30% p.a. for Category I & II Investors.

The effective coupon will be subject to a floor rate of 6.00% p.a. and cap rate of 7.50% p.a. for Category III & IV Investors.

The coupon will change according to annualised FIMMDA 10Yr Gsec benchmark, however, the spread will be fixed throughout the tenor of the Series V NCDs for respective categories till redemption.

The Floating Coupon to be rounded upto 2 decimal point.

Source for FIMMDA 10Yr G-sec benchmark (<http://www.fimmda.org/>)

Computation Methodology:

Floating interest rate payable at the end of 1st year will be the average of Benchmark FIMMDA 10Yr G-sec 15 preceding days from the Deemed Date of Allotment plus applicable fixed spread. Floating interest rate payable at the end of the second year will be the average of Benchmark FIMMDA 10Yr G-sec 15 preceding days from the 1st Annual interest payment date plus applicable fixed spread, and so on for subsequent years.

Illustrative Example:

For First Year:

Assumed Deemed Date of Allotment: February 4, 2021

Details of Assumed Benchmark FIMMDA 10Yr G-sec for last 15 days (January 20, 2021 to February 4, 2021):

Dates	Semi Annual (%)	Annual (%)
Wednesday, 3 February, 2021	5.91	5.99
Tuesday, 2 February, 2021	5.91	6.00
Monday, 1 February, 2021	5.89	5.98
Sunday, 31 January, 2021	-	-
Saturday, 30 January, 2021	-	-
Friday, 29 January, 2021	5.98	6.07
Thursday, 28 January, 2021	5.91	5.99
Wednesday, 27 January, 2021	5.85	5.94
Tuesday, 26 January, 2021	5.85	5.94

Monday, 25 January, 2021	5.88	5.97
Sunday, 24 January, 2021	-	-
Saturday, 23 January, 2021	-	-
Friday, 22 January, 2021	5.98	6.07
Thursday, 21 January, 2021	5.91	5.99
Wednesday, 20 January, 2021	5.95	6.04
Average	5.91	6.00

Average of Benchmark FIMMDA 10Yr G-Sec (as applicable for the 1st year): 6.00%

Coupon for Category I and II Investor (including spread): 6.55%

Coupon for Category III and IV Investor (including spread): 6.80%

For Second Year:

Assumed Annual Interest Payment Date for 1st Year: February 4, 2022

Details of Assumed Benchmark FIMMDA 10Yr G-sec for last 15 days (January 20, 2022 to February 4, 2022):

Dates	Semi Annual (%)	Annual (%)
Thursday, 3 February, 2022	5.91	5.99
Wednesday, 2 February, 2022	5.91	6.00
Tuesday, 1 February, 2022	5.89	5.98
Monday, 31 January, 2022	5.89	5.98
Sunday, 30 January, 2022	-	-
Saturday, 29 January, 2022	-	-
Friday, 28 January, 2022	5.91	5.99
Thursday, 27 January, 2022	5.85	5.94
Wednesday, 26 January, 2022	5.85	5.94
Tuesday, 25 January, 2022	5.88	5.97
Monday, 24 January, 2022	5.89	5.97
Sunday, 23 January, 2022	-	-
Saturday, 22 January, 2022	-	-
Friday, 21 January, 2022	5.91	5.99
Thursday, 20 January, 2022	5.95	6.04
Average	5.89	5.98

Average of Benchmark FIMMDA 10Yr G-Sec (as applicable for the 2nd year): 5.98%

Coupon for Category I and II Investor (including spread): 6.53%

Coupon for Category III and IV Investor (including spread): 6.78%

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Tranche I Issue.

Interest and Payment of Interest

In case of Series I NCDs, interest would be paid annually on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	4.65%
Category III and IV Investors	4.80%

Series I NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 3 years from the Deemed Date of Allotment.

In case of Series II NCDs, interest would be paid annually on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	5.65%

Category III and IV Investors	5.80%
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Series II NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 5 years from the Deemed Date of Allotment.

In case of Series III NCDs, interest would be paid quarterly on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	6.63%
Category III and IV Investors	6.82%

Series III NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment

In case of Series IV NCDs, interest would be paid annually on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	6.80%
Category III and IV Investors	7.00%

Series IV NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment.

In case of Series V NCDs (floating rate debentures with annual coupon reset) interest would be paid annually on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, subject to a floor rate of 5.80% p.a. and cap rate of 7.30% p.a. for Category I & II and floor rate of 6.00% p.a. and cap rate of 7.50% p.a. for Category III & IV.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	Benchmark FIMMDA 10Yr G-Sec (Annualised)+ spread of 55 BPS
Category III and IV Investors	Benchmark FIMMDA 10Yr G-Sec (Annualised)+ spread of 80 BPS

For the interest payable at the end of every year from the Deemed Date of Allotment, Benchmark FIMMDA 10Yr G-Sec shall be determined as mentioned in the chapter “*Issue Structure*” on page 42. Series V NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment.

In case of Series VI NCDs, interest would be paid quarterly on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	6.78%
Category III and IV Investors	6.97%

Series VI NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 15 years from the Deemed Date of Allotment.

In case of Series VII NCDs, interest would be paid annually on an Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	6.95%
Category III and IV Investors	7.15%

Series VII NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 15 years from the Deemed Date of Allotment.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. The interest payments shall be made only on the day when the money market is functioning in Mumbai. Further, the Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The redemption payments shall be made only on the day when the money market is functioning in Mumbai.

Maturity and Redemption

For NCDs subscribed under Series I, Series II, Series III, Series IV, Series V, Series VI and Series VII, the relevant interest will be paid in the manner set out in “*Interest and Payment of Interest*” at page 48 of this Tranche I Prospectus. The last interest payment will be made at the time of redemption of the Secured NCD.

Series	Maturity period/Redemption (as applicable)
I	3 Years from the Deemed Date of Allotment
II	5 Years from the Deemed Date of Allotment
III	10 Years from the Deemed Date of Allotment
IV	10 Years from the Deemed Date of Allotment
V	10 Years from the Deemed Date of Allotment
VI	15 Years from the Deemed Date of Allotment
VII	15 Years from the Deemed Date of Allotment

Ranking of NCDs

The NCDs would constitute secured obligations of our Company and shall rank *pari passu* with the existing secured creditors on the book debts or receivables, other than those on which a specific charge has already been created by the Company, adequate to ensure 100% (One Hundred per cent) asset cover for the NCDs and interest accrued thereon, and subject to any obligations under applicable statutory and/or regulatory requirements. The claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements.

The Company is required to obtain permissions or consents from the prior creditors for proceeding with this Issue. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020, the Company undertakes, inter alia, that the assets on which charge is created are free from any encumbrances and if the assets are already charged, the permissions or consent to create second or *pari passu* charge on the assets of the Issuer have been obtained from the earlier creditors.

The Company has applied to the prior creditors for such permissions or consents and has received such permissions or consents from all prior creditors.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the NCD Holders any rights or privileges available to our Company’s members or shareholders including, without limitation, the right to receive notices and/or attend and/or vote at any general meeting of our Company’s members or shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members or shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. In terms of Section 136(1) of the Companies Act, 2013, NCD Holders shall be entitled to a copy of the balance sheet and copy of trust deed on a specific request made to our Company.

2. Subject to applicable statutory or regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the NCD Holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.
3. Subject to applicable statutory or regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the Register of Debenture Holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such NCD Holders shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.
4. The NCDs are subject to the provisions of the SEBI Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus, Corrigendum, if any, addendum, if any, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.
5. A register of NCD Holders holding NCDs in physical form pursuant to rematerialisation of the NCDs (“**Register of NCD Holders**”) will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date. For the NCDs issued in dematerialized form, the Depositories shall also maintain the up to date record of NCD Holders in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The same shall be maintained at the registered office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders.
6. Subject to compliance with applicable statutory requirements, the NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days prior notice for such roll over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be in accordance with the terms of the Transaction Documents and the Debenture Trust Deed.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any listed non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures.

The Government, in the union budget for the Financial Year 2019-20 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue.

The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law.

Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at fifteen percent of the amount of the debentures maturing during the year

ending on 31st day of March of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

- A. in deposits with any scheduled bank, free from any charge or lien
- B. in unencumbered securities of the Central Government or any State Government;
- C. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
- D. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Nomination Facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013 and Rule 19 of the SCD Rules (“Rule 19”), the sole NCD Holder, or first NCD Holder, along with other joint NCD Holders’ (being individual(s)), may nominate, in the Form No. SH.13, any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in Form No.SH.13 any person as nominee. On the receipt of the said nomination as per prescribed law a corresponding entry shall forthwith be made in the relevant register of securities holders, maintained under Section 88 of the Companies Act, 2013. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in Form No. SH.14, any person to become entitled to NCDs in the event of the NCD Holder’s death during minority. A nomination may be cancelled or varied by nominating any other person in place of the preset nominee, by the NCD Holder who has made the nomination by giving a notice of such cancellation or variation in Form No. SH.14. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received. A nomination will stand rescinded on a sale or transfer or alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office, Corporate Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

The request for nomination should be recorded by the Company within a period of 2 months from the date of receipt of the duly filled and signed nomination form. In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the NCD Holder; or
- (b) to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

For all NCDs held in the dematerialized form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialized form. Applicants holding NCDs in the physical form should provide required details in connection with their nominee to our Company and inform our Company in connection with NCDs held in the physical form.

Taxation

TDS provision should be applicable based on prevailing law from time to time. As of date, pursuant to clause (ix) of Section 193 of the IT Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the SCRA and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialised form. However, in case of NCDs held in physical form, pursuant to the current provisions of the IT Act, tax will not be deducted at source from interest payable on such NCDs held by the investor, if such interest does not exceed ₹ 5,000 in any financial year. If interest exceeds the prescribed limit of ₹ 5,000 on account of interest on the NCDs, then the tax will be deducted at applicable rate. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted at the office of the Registrar to the Issue quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, at least seven days prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 15H/15G/certificate in original with the Assessing Officer for each financial year during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche I Prospectus and the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Payment of Interest

The amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls on Sundays or holidays of commercial banks in Mumbai, then interest as due and payable on such day, would be paid on the succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Coupon Payment Date. The dates of the future interest payments would be in accordance with the originally stipulated schedule. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

If the Redemption Date (also being the last interest payment date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest payments shall be made only on the subsequent day when the money market is functioning in Mumbai. Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any record date, and such tenor, coupon/yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form the persons who for the time being appear in the register of beneficial owners of the NCDs in accordance with the Depositories as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, the persons whose names appear in the register of debenture holders maintained by us or Registrar to the Company (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the Coupon Payment Date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details please see the section titled “*Terms of the Issue*” on page 42 of this Tranche I Prospectus.

Deemed Date of Allotment

The date on which the Authorized Officials approve the Allotment of the NCDs for the Tranche I Issue, or such other date as may be determined by the Authorized Officials and notified to the Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified by way of this Tranche I Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of 1 NCD thereafter (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price per NCD, as specified in this Tranche I Prospectus, is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount paid on application to the applicant in accordance with the terms of the Shelf Prospectus and this Tranche I Prospectus.

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption under this Tranche I Prospectus. In case the Record Date falls on a day of holiday for Depositories, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption.

Manner of Payment of Interest or Refund or Redemption Amount*

The manner of payment of interest or refund or redemption amount in connection with the NCDs is set out below*:

For NCDs applied / held in electronic form:

The bank details will be obtained from the Depositories for payment of Interest or refund or redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of interest / refund / redemption amount to the Applicant at the applicant’s sole risk, and neither the Lead Managers, our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

For NCDs held in physical form pursuant to rematerialisation:

For NCDs held in physical form on account of rematerialisation, the bank details, for payment of interest or redemption as the case may be, will be obtained from the documents submitted to our Company / the Registrar to the Issue along with the rematerialisation request. Please refer to “*Procedure for Rematerialization of NCDs*” on page 61 of this Tranche I Prospectus for further details.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 10,00,375.23 then the amount shall be rounded off to ₹ 10,00,375 and if the redemption amount is ₹10,00,375.67 then the amount shall be rounded off to ₹10,00,376.*

The mode of interest or refund or redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank. Interest / redemption amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment or refund or redemption amounts exceed ₹ 2,00,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment or refund or redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant’s bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants’ banks have been assigned the Indian Financial System Code (“**IFSC**”), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post / Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment or refund or redemption orders shall be dispatched through Registered post / Speed post at the Investor’s sole risk, only to Applicants that have provided details of a registered address in India.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed or available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest or refund or redemption so long as our Company has initiated the process of such request in time.

Printing of Bank Particulars on Interest or Redemption Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest or redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders or warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form, on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company or Registrar to the Issue at least 7 days prior to the Record Date failing which the orders or warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company through post.

Bank account particulars will be printed on the orders or warrants which can then be deposited only in the account specified.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buy-back the NCDs, upon such terms and conditions as may be decided by our Company.

Form and Denomination

In case of NCDs held under different series, as specified in this Tranche I Prospectus, by an NCD Holder, separate certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each series.

In case of NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD Holder for the aggregate amount of the NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of NCD certificates denominated in the Market Lot. In case of NCDs held under different series, as specified in this Tranche I Prospectus, by a NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each series.

In respect of Consolidated Certificates, we will, only upon receipt of a request from the NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

It is however distinctly to be understood that the NCDs pursuant to this Issue shall be traded only in demat form.

Further, no action is required on the part of NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below*.

NCDs held in physical form on account of rematerialization

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder or all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques or pay orders, etc. in respect of such payment will be made on the Redemption Date or (if so requested by our Company in this regard) within a period of 30 (thirty) days from the date of receipt of the duly discharged NCD certificate. These NCDs will be simultaneously extinguished to the extent of amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on part of the NCD Holders.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the Redemption Date to those NCD Holders whose names stand in the register of debenture holders maintained by us / Registrar to the Issue on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least 7 days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the Redemption Date, redemption proceeds would be paid by cheque or pay order or electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be in accordance with the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment or redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 10,00,375.23 then the amount shall be rounded off to ₹ 10,00,375 and if the redemption amount is ₹10,00,375.67 then the amount shall be rounded off to ₹10,00,376.*

Redemption Date

As specified in the Terms of NCDs.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, as applicable on the date of this Tranche I Prospectus, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Transfer or Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. In respect of the NCDs held in physical form on account of to rematerialization, a common form of transfer shall be used for the same. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL or CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be

settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Please see "*Issue Structure*" on page 42 of this Tranche I Prospectus for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and NCDs held by Non Individual Investors on the Record Date.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, the relevant provisions of which have come into effect from April 1, 2019, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depository; and
- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus shall apply, *mutatis mutandis* (to the extent applicable) to the NCD(s) as well.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the

Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder;
2. Proof that the non-resident Indian is an Indian national or is of Indian origin; and
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holders required to be given by us or the Debenture Trustee will be sent by post or through email or other electronic media to the registered NCD Holders from time to time.

Issue of duplicate NCD Certificate(s)

If NCD certificate(s) is or are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity or security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Security

The principal amount of the NCDs to be issued in terms of this Tranche I Prospectus together with all interest accrued on the NCDs shall be secured by way of first *pari passu* charge through the hypothecation of the book debts/receivables (excluding the book debts / receivables on which a specific charge has already been created by the Company), more particularly as detailed in the section titled "*Issue Structure*" on page 42 of this Tranche I Prospectus.

Our Company intends to enter into an indenture / deed with the Debenture Trustee, ("**Debenture Trust Deed**"), the terms of which will govern the appointment of the Debenture Trustee and the issue of the NCDs. Our Company proposes to complete the execution of the Debenture Trust Deed on or prior to the listing of NCDs and utilize the funds only after the stipulated security has been created and upon receipt of listing and trading approval from the Stock Exchange. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 15(1) of the SEBI Debt Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent.) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Tranche I Prospectus, till the execution of the Debenture Trust Deed.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant Redemption Date and also that it will pay the interest due on NCDs on the rate specified in this Tranche I Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Trustees for the NCD holders

We have appointed Beacon Trusteeship Limited to act as the Debenture Trustees for the NCD Holders in terms of Regulation 4(4) of the SEBI Debt Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. The Debenture Trustee and we will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holders. Any payment made by us to the Debenture Trustee on behalf of the NCD Holders shall discharge us *pro tanto* to the NCD Holders. The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

- (i) default is committed in payment of the principal amount of the NCDs on the due date(s); and
- (ii) default is committed in payment of any interest on the NCDs on the due date(s).

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Procedure for Rematerialization of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. **Holders of NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialization of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialization.**

Loan Against NCDs

Pursuant to the RBI circular dated June 27, 2013, our Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. However, if the RBI subsequently permits the extension of loans by NBFCs against the security of its debentures issued by way of private placement or public issues, the Company may consider granting loans against the security of such NCDs, subject to terms and conditions as may be decided by the Company at the relevant time, in compliance with applicable law.

Lien

The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holders or deposits held in the account of the NCD Holders, whether in single name or joint name, to the extent of all outstanding dues by the NCD Holders to the Company, subject to applicable law.

Lien on pledge of NCDs

Our Company may, at its discretion note a lien on pledge of NCDs if such pledge of NCD is accepted by any third party bank/institution or any other person for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, provided the stipulated security cover is maintained and after obtaining the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection

Day Count Convention

Interest shall be computed on actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI circular regarding Issues Pertaining to Primary Issuance of Debt Securities bearing no. CIR/IMD/DF/18/2013 dated October 29, 2013 and regarding clarification on aspects related to day count convention for debt securities issued under the SEBI Debt Regulations bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Effect of Holidays on Payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Coupon Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Illustration for Guidance in respect of the Day Count Convention and Effect of Holidays on Payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. CIR/IMD/DF/18/2013 October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 will be disclosed in Annexure C.

Payment of Interest

If allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be refunded or unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. Please see, “*Issue Procedure - Rejection of Applications*” on page 83 of this Tranche I Prospectus.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018 (“Debt ASBA Circular”), which provides, inter-alia, that for all public issues of debt securities opening on or after October 1, 2018, all Applicants shall mandatorily use the ASBA facility for participating in the Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application.

In addition, specific attention is invited to SEBI Circular SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 (“UPI Mechanism Circular”), whereby retail individual investor may use the Unified Payment Interface (“UPI”) to participate in the public issue for an amount up to INR 2, 00, 000 being conducted on or after January 01, 2021.

ASBA Applicants should note that they may submit their ASBA Applications to the Designated Intermediaries. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in the Issue Documents.

Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value upto Rs. 2 Lac submitted through the app/web interface of the Stock Exchange or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Please note that this section has been prepared based on the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 (“UPI Mechanism Circular”) and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“Debt ASBA Circular”). The procedure mentioned in this section is subject to the Stock Exchange putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by the Stock Exchange and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchange and/or SEBI.

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE WILL NEED TO APPROACH THE RESPECTIVE STOCK EXCHANGE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE RELEVANT STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS TRANCHE I PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF SUCH DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term “Working Day” shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India when stock exchanges are closed for trading. Furthermore, for the purpose of post issue period, i.e. period beginning from the Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of the stock exchanges excluding Sundays and bank

holidays in Mumbai. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

The information below is given for the benefit of the investors. Our Company and the Members of the Syndicate are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Tranche I Prospectus.

Who can apply?

The following categories of persons are eligible to apply in this Tranche I Issue.

Category I – Institutional Investors

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with a minimum corpus of ₹25 crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds registered with SEBI, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident venture capital funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically important non-banking financial company registered with the RBI and having a net-worth of more than ₹500 crore in accordance with the last audited financial statements
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II – Non Institutional Investors

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies or corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public or private charitable or religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), as amended;
- Association of persons; and

- Any other incorporated and/ or unincorporated body of persons.

Category III - High Net Worth Individual Investors

- High Net-worth Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all series of NCDs in this Tranche I Issue.

Category IV – Retail Individual Investors

- Retail Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all series of NCDs in this Tranche I Issue.

Please note that it is clarified that person(s) resident outside India shall not be entitled to participate in the Issue and any Application(s) from such persons are liable to be rejected. Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions or consents or approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in this Issue.

The information below is given for the benefit of Applicants. Our Company, Members of the Consortium and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Tranche I Prospectus.

How to apply?

Availability of the Shelf Prospectus, the Tranche I Prospectus, Abridged Prospectus and Application Forms.

Please note that there is a single Application Form for Applicants who are persons resident in India.

Physical copies of the Shelf Prospectus, Tranche I Prospectus together with Application Forms, and Abridged Prospectus containing the salient features of the Shelf Prospectus, may be obtained from (i) our Company's Registered and Corporate Office, (ii) the office of the Lead Managers, (iii) offices of the brokers, (iii) the office of the Registrar to the Issue, (v) Designated RTA Locations for RTAs, (vi) Designated CDP Locations for CDPs, and (vii) the Designated Branches of the SCSBs. Additionally, the Shelf Prospectus, the Tranche I Prospectus and the Application Forms will be available:

- (i) for download on the website of BSE at www.bseindia.com, and the website of the Lead Managers at www.trustgroup.in, www.akgroup.co.in, www.edelweissfin.com, www.jmfl.com; and
- (ii) at the Designated Branches of the SCSBs and at the Specified Locations of the Members of the Syndicate.

Electronic Application Forms will also be available on the website of the Stock Exchange and on the website of SCSBs that permit submission of Applications electronically. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchange. Further, Application Forms will also be provided to Designated Intermediaries at their request.

In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading members of the Stock Exchange can download Application Forms from the website of the Stock Exchange. Further, Application Forms will be provided to Designated Intermediaries of the Stock Exchange at their request.

Method of Application

In terms of the Debt ASBA Circular, an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres, *i.e.* to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at <http://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

For Applicants who submit the Application Form in physical mode, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue and their respective directors and officers, shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the Stock Exchange.

In terms of the UPI Mechanism Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)
 - a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, *i.e.* investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.
 - b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
 - c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is Rs.2 lac or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.
2. **Through Stock Exchanges**
 - a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchange (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism.

- b. The Stock Exchange has are extending its web-based platform 'BSEDirect' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 2 Lac. To place bid through BSEDirect platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct. The Process of Registration and Bid placement for Debt Public Issue BSEDirect Platform/ Mobile App is attached as Annexure II and the detail operational instructions and guidelines for making application for public issue of debt securities through BSEDirect,
- c. An investor may use the following link to access the web-based interface developed by the Stock Exchange to bid using the UPI Mechanism: <https://www.bsedirect.com>.
- d. The BSE Direct mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' on Google Playstore for downloading mobile application.
- e. For further details on the registration process and the submission of bids through the App or web interface, the Stock Exchange has issued operational guidelines and circulars dated December 28, 2020 available at <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>.

For further details please refer to 'Process for investor application submitted with UPI as mode of payment' on page 77.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of 1 NCD thereafter (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017 ("SEBI Circular 2017"), as amended by SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 15% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 20% of net assets value extendable to 25% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (iii) a resolution authorising investment and containing operating instructions and (iv) specimen signatures of authorized signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks can apply in this Tranche I Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investment; (iv) the certificate of registration from the RBI; and (v) a letter of authorisation.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; (iv) IRDAI registration certificate, and (v) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Alternative Investments Funds

Applications made by 'Alternative Investment Funds' eligible to invest in accordance with the SEBI AIF Regulations for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Company, a non-banking financial company registered with the Reserve Bank of India and having a net worth of more than Rs. 50,000 lakh as per the last audited financial statement can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association or charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; (iv) specimen signatures of authorised signatories; (v) certificate of registration issued by the RBI; (vi) latest audited financial statements; (vii) net worth certificate from the statutory auditor.

Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications under a power of attorney

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any act or rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory or regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund or trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) incorporation/ registration under any Act/Rules under which they are incorporated/registered, (ii) the trust deed in respect of the fund, if any, (iii) a resolution authorising investment and containing operating instructions; and (iv) specimen signatures of authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

The Members of Consortium and their respective associates and affiliates are permitted to subscribe in this Issue.

Applications cannot be made by:

- a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor applicant and the name of the guardian);
- b) Foreign nationals;
- c) Persons resident outside India;
- d) Foreign Institutional Investors;
- e) Foreign Portfolio Investors;

- f) Non Resident Indians;
- g) Qualified Foreign Investors;
- h) Overseas Corporate Bodies**;
- i) Foreign Venture Capital Funds; and
- j) Persons ineligible to contract under applicable statutory/ regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872.*

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant may submit the Application Form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is Rs.2 lac or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within 6 (six) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of this Tranche I Issue or until rejection of the Application, as the case may be.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by

stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Additional Instructions for Retail Individual Investors using the UPI mechanism:

- a) Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- b) The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/ Web interface.
- c) The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
- d) Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e) The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.
- f) Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
- g) Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
- h) The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
- i) The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j) The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Issue.
- k) The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Issue period or any other modified closure date of the Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
- l) The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m) For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1 pm

- n) The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o) Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p) The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
- q) The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
- r) Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

Applicants are advised not to submit Application Forms to Public Issue Account Banks as the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and the Tranche I Prospectus with ROC

A copy of the Shelf Prospectus and the Tranche I Prospectus shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the relevant Issue Opening Date of this Tranche I Issue. This advertisement will contain the information as prescribed under the SEBI Debt Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with the ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Instructions for completing the Application Form

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Shelf Prospectus, the Tranche I Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in the Issue Documents.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
- (f) If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.

- (g) Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchange by the Designated Intermediaries, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
- (h) Applicants must ensure that their Application Forms are made in a single name.
- (i) If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (j) Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.
- (k) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (l) Applications for all the series of the NCDs may be made in a single Application Form only.

The series, mode of allotment, PAN, demat account number, etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Consortium nor the other Designated Intermediaries, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in this Tranche I Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID, PAN AND UPI ID (in case applying through UPI Mechanism) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID, PAN AND UPI ID AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID, PAN and UPI ID provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchange by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by post or e-mail at the address of the Applicants in accordance with the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Tranche I Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the four parameters, namely, DP ID, Client ID, PAN and UPI ID then such Applications are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for Retail Individual Investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

SEBI has issued UPI circulars on November 23, 2020 with reference number SEBI/HO/DDHC/CIR/P/2020/233 in relation to streamlining the process of public issue of *inter alia* debt issues. Pursuant to the UPI circular, the UPI Mechanism has been introduced and will become applicable for public debt issues being conducted on or after January 01, 2021 as a payment mechanism (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Permanent Account Number (PAN)

The Applicant should mention his or her PAN allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the central or state government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the general index register number i.e. GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the central or state government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

Electronic registration of Applications

- (a) The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the Designated Intermediaries, (ii) the Applications uploaded by the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the Designated Intermediaries, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by the Designated Intermediaries for which the Application Amounts are not blocked by the SCSBs.
- (b) The Stock Exchange will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of Members of the Consortium and the other Designated Intermediaries during the Issue Period. On the Issue Closing Date, the Members of the Consortium and the other Designated Intermediaries shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Members of the Consortium and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- (c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Issue Period.
- (d) At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and series of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchange.
- (e) A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the Acknowledgement Slip from the Members of the Consortium or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.
- (f) The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Shelf Prospectus or the Tranche I Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange.
- (g) In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.
- (h) Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day until 1:00 PM after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Process for investor application submitted with UPI as mode of payment

- a. Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.
- c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.
- d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.
- g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.
- h. The Sponsor Bank shall initiate a mandate request on the investor
- i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.
- k. An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
- l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.
- n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.

- p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.
- q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- r. Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- s. The allotment of debt securities shall be done as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013.
- t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
- u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
- w. Thereafter, Stock Exchange will issue the listing and trading approval.
- x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 the investor shall also be responsible for the following:
 - i. Investor shall check the Issue details before placing desired bids;
 - ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
 - iii. The receipt of the SMS for mandate acceptance is dependant upon the system response/ integration of UPI on Debt Public Issue System;
 - iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
 - v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;
 - vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
 - vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

General Instructions

Do's

- Check if you are eligible to apply in accordance with the terms of Shelf Prospectus, the Tranche I Prospectus and applicable law;
- Read all the instructions carefully and complete the Application Form;
- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where 'PQR' is the name of the Karta;
- Ensure that Applications are submitted to the Designated Intermediaries, before the closure of application hours on the Issue Closing Date;
- Information provided by the Applicants in the Application Form will be uploaded on to the online platform of the Stock Exchange by the Designated Intermediaries, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible;
- Ensure that the Applicant's names (given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form;
- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
- Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to the circular dated April 3, 2008 issued by SEBI) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address in accordance with the Demographic Details evidencing the same.
- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive an Acknowledgement Slip for all your Applications and an acknowledgement as a proof of having been accepted;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the NCDs;
- Before submitting the physical Application Form with the Designated Intermediaries, ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;

- For Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Designated Intermediaries and not to the Public Issue Account Banks or Refund Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- For Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Public Issue Bank (assuming that such bank is not a SCSB), to our Company, the Registrar to the Issue or the Designated Intermediaries;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
- Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value of INR 2,00,000 (Two Lakh);
- Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form
- Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface
- Ensure that you have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Application Form;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the, or to the Members of the Consortium at the Specified Locations, or to the Designated Intermediaries, as the case may be;
- Ensure that you have correctly signed the authorisation /undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
- Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
- Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Consortium, or the Designated Intermediaries, as the case may be, for the submission of the Application Form;
- Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that your Application Form bears the stamp of the relevant Designated Intermediaries to whom the Application is submitted;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
- Tick the series of NCDs in the Application Form that you wish to apply for.

Don'ts

- Do not apply for lower than the minimum Application size;

- Do not pay the Application amount in cash, demand draft, cheque, by money order, postal order or by stock invest;
- Do not send the Application Forms by post; instead submit the same to the Designated Intermediaries (as the case may be) only;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not submit an Application Form using UPI ID, if the Application is for an amount more than INR 2,00,000;
- Do not fill up the Application Form such that the NCDs applied for exceeds the size of this Issue and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit a bid using UPI ID, if you are not a Retail Individual Investor;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- Do not submit an Application in case you are not eligible to acquire the NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;
- Do not submit more than five Application Forms per ASBA Account;
- If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID;
- Do not submit the Application Forms without the Application Amount; and
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

Submission of Application Forms

For details in relation to the manner of submission of Application Forms, please see the section titled “*Issue Procedure*” on page 63 of the Tranche I Prospectus.

OTHER INSTRUCTIONS

Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional or Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other series of NCDs, as specified in this Tranche I Prospectus, subject to a minimum Application size as specified in this Tranche I Prospectus. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding Rs. 10 lacs shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be multiple Applications. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN of the sole or the first Applicant is one and the same.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

- (i) Tripartite Agreements dated April 25, 2006, and May 16, 2006, between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- (ii) An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
- (iii) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- (iv) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
- (v) It may be noted that NCDs in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange have connectivity with NSDL and CDSL.
- (vi) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 (thirty) days.
- (vii) The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Issue in accordance with the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, please see the section titled "*Issue Procedure*" on page 63 of the Tranche I Prospectus.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact the Compliance Officer of the Company or the Registrar to the Issue in case of any pre-Issue related problems and/or Post-Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in

depository's beneficiary account, etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchange in case of any Post-Issue related problems, such as non-receipt of Allotment Advice or non-credit of NCDs in depository's beneficiary account, etc.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

An Application may be rejected on one or more technical grounds, including but not restricted to:

- Applications not made through the ASBA facility
- Number of NCDs applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount blocked being higher than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided by the Applicant;
- ASBA Bank account details to block Application Amount not provided in the Application Form;
- Submission of more than 5 (five) ASBA Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian (except bids by Minors (applying through the guardian) having valid demat account as per demographic details provided by the Depository Participants);
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID and Client ID not mentioned in the Application Form;
- Applications by stock invest or accompanied by cash/money order/postal order or any mode other than ASBA;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;

- In case of partnership firms, NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However, a Limited Liability Partnership firm can apply in its own name;
- Applications made without mentioning the PAN of the Applicant, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants;
- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- For all Applications for Allotment the, DP ID, Client ID and PAN mentioned in the Application Form do not match with the DP ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;
- Application Forms from Applicants not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- Applications for an amount below the minimum Application size;
- Inadequate funds or no credit balance in the ASBA Account to enable the SCSB or Sponsor Bank to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB or Sponsor Bank for blocking of funds;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Applications not uploaded on the terminals of the Stock Exchange bidding system;
- Applications providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- Application Forms submitted to the Designated Intermediaries does not bear the stamp of the relevant Designated Intermediaries. Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Members of the Consortium, or other Designated Intermediaries, as the case may be;
- Applications by other persons who are not eligible to apply for NCDs under this Issue under applicable Indian regulatory requirements;
- Application Forms not delivered by the Applicant within the time prescribed in accordance with the Application

Form and in accordance with the instructions in the Application Form, the Shelf Prospectus and this Tranche I Prospectus;

- Applications tendered to the Designated Intermediaries at centers other than the centers mentioned in the Application Form;
- Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
- SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- The UPI Mandate Request is not approved by the Retail Individual Investor; and
- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.

For further instructions regarding Application for the NCDs, Applicants are requested to read the Application Form.

Further, in the event of such non-convertible bonds issued not being listed within 15 days of investment or issuance for any reason, the RFPIs are required to immediately dispose of those non-convertible bonds either by way of sale to a third party or to the issuer and the Company shall immediately redeem/ buyback those securities from the RFPIs in such an eventuality.

Mode of making refunds

The payment of refund, if any, may be done through various electronic modes mentioned below:

- (i) **Direct Credit:** Applicants having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.
- (ii) **NACH:** Payment of refund would be done through NACH for Applicants having an account at any of the centres specified by RBI, where such facility has been made available. This mode of payment of refunds, if any, would be subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds, if any, through this mode will be done for Applicants having a bank account at any centre where NACH facility has been made available (subject to availability of all information for crediting the refund through NACH).
- (iii) **NEFT:** Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (iv) **RTGS:** If the refund amount exceeds ₹ 2,00,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the Banker(s) to the Issue for the same would be borne by us. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.
- (v) **Registered Post / Speed Post:** For all other Applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through Speed Post/ Registered Post only to Applicants that have provided details of a registered address in India. Refunds may be made by cheques, pay orders, or demand drafts drawn on the relevant Refund Bank and payable at par at places where Applications are received. All the cheques, pay orders, or demand drafts as the case may

be, shall be sent by registered/speed post at the Investor's sole risk. Bank charges, if any, for cashing such cheques, pay orders, or demand drafts at other centres will be payable by the Applicant.

- (vi) The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

The payment of refund, if any, may be done through the Registrar to the Issue who shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawal, rejection or unsuccessful or partially successful Applications within 5 (five) Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by post or email at the Applicant's sole risk, within six Working Days from the Issue Closing Date. We may enter into arrangement with one or more banks in one or more cities for refund to the account of the Applicants through Direct Credit/NACH/RTGS.

Further,

- (i) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
- (ii) Credit to dematerialised accounts will be given within one Working Day from the Deemed Date of Allotment;
- (iii) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the Applicants within six Working days from the Issue Closing Date, for the delay beyond 6 Working days in case of non-receipt of minimum subscription; and
- (iv) Our Company will provide adequate funds to the Registrar to the Issue / relevant banks for this purpose.

Retention of oversubscription

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be Allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Tranche I Issue up to the Tranche I Issue Limit i.e. aggregating up to ₹ 5000 crore. The aggregate value of NCDs decided to be Allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Tranche I Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the "**Tranche I Issue Limit**".

Basis of Allotment

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchange and determine the valid Application for the purpose of drawing the valid Applications for the purpose of drawing the basis of allocation.

Grouping of the Applications received will be then done in the following manner:

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

- A. Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together, ("**Institutional Portion**");
- B. Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together, ("**Non-Institutional Portion**").
- C. Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together, ("**High Net-worth Individual Category Portion**").

D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Category Portion**”).

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as “**Portion**” and collectively referred to as “**Portions**”.

Allocation Ratio

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
10%	10%	40%	40%

(a) *Allotments in the first instance:*

- i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 10 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 40 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange; and
- iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 40 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with the Stock Exchange, in each Portion subject to the Allocation Ratio indicated at the section titled “*Issue Procedure – Basis of Allotment*” at page 86 of this Tranche I Prospectus.

As per the SEBI circular dated October 29, 2013, the allotment in this Tranche I Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

- (b) *Under Subscription:* If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non-Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis. If there is under subscription in the overall Tranche I Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.
- (c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges on a particular date exceeds NCDs to be Allotted for each portion respectively.
- (d) Minimum Allotments of 1 NCD and in multiples of 1 NCD thereafter would be made in case of each valid Application to all Applicants.
- (e) *Allotments in case of oversubscription:* In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment

of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the Applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchange, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche I Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants on the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

In case there is oversubscription in Tranche I Issue Limit, however there is under subscription in one or more Portion(s) Allotments will be made in the following order:

(i) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment

(ii) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Issue period. For the sake of clarity, the day on which the entire remaining undersubscribed Portion is Allocated to the oversubscribed Portion(s), no allocation shall be made to any oversubscribed Portion(s) on the remaining days of the Issue Period.

(f) *Proportionate Allotments:* For each Portion, on the date of oversubscription:

- i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
- ii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche I Issue Limit, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
- iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

(g) *Applicant applying for more than one Series of NCDs:* If an Applicant has applied for more than one series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Managers and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the VIIseries and in case such Applicant cannot be allotted all the VII Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Managers wherein the NCDs with the least tenor i.e. Allotment of NCDs with tenor of 36months followed by Allotment of NCDs with tenor of 60months and so on.

(h) *Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications:* The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Tranche I Issue Closing Date.

All decisions pertaining to the basis of allotment of NCDs pursuant to the Tranche I Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchange and in compliance with the aforementioned

provisions of this Tranche I Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series IV NCDs to all valid applications, wherein the applicants have selected only NCDs, but have not indicated their choice of the relevant series of the NCDs.

Applications where the Application Amount received is greater than the minimum Application Amount, and the Application Amount paid does not tally with the number of NCDs applied for may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹ 1,000.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date by submitting a request for the same to Designated Intermediaries or the Designated Branch, as the case may be, through whom the Application had been placed. In case of Applications submitted to the Designated Intermediaries, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Intermediary, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange. In case of Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and unblocking of the funds in the ASBA Account directly.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close this Tranche I Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, this Tranche I Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Issue Closing Date.

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of this Tranche I Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this Issue have been given.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked or credited only to the bank account in or from which the subscription was blocked or remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

Revision of Applications

Pursuant to the notice no: 20120831-22 dated August 31, 2012 issued by the BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise or modify their Application details during the Issue Period, as allowed or permitted by the Stock Exchange, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the

electronic Application platform of the Stock Exchange in accordance with the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day (till 1:00 PM) after the Issue Closing Date to modify or verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

The sum received in respect of this Tranche I Issue will be kept in separate bank accounts and we will have access to such funds in accordance with applicable provisions of law(s), regulations and approvals.

Utilisation of the proceeds of this Issue

- All monies received out of this Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013.
- The allotment letter shall be issued or application money shall be refunded/unblocked within six Working days from the closure of this Tranche I Issue or such lesser time as may be specified by Securities and Exchange Board, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate prescribed under applicable law.
- Details of all monies unutilised out of the previous issues made by way of public offer, as well as the monies to be raised through this Issue, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of this Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of this Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- We shall utilize proceeds of this Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; (d) execution of the Debenture Trust Deed; and (e) obtaining listing and trading approval from the Stock Exchange as stated in the Shelf Prospectus and this Tranche I Prospectus.
- Proceeds of this Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
- Proceeds of this Issue shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

Listing

The NCDs proposed to be offered in pursuance of the Shelf Prospectus, and this Tranche I Prospectus will be listed on the BSE. Our Company has received an ‘in-principle’ approval from BSE by way of its letter dated January 07, 2021. The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of Shelf Prospectus, and this Tranche I Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 Working Days from the Issue Closing Date for this Tranche I Issue.

For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such NCDs with series shall not be listed.

Guarantee/Letter of Comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Undertaking by our Company

We undertake that:

- a) the complaints received in respect of this Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
- b) we shall take necessary steps for the purpose of getting the NCDs listed within the specified time i.e. six Working Days from the Issue Closing Date;
- c) if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within six Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws;
- d) the funds required for dispatch of allotment advice/ certificates by post shall be made available to the Registrar to the Issue by our Company;
- e) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;
- f) we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
- g) we shall disclose the complete name and address of the Debenture Trustee in our annual report and website;
- h) we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in the Shelf Prospectus and this Tranche I Prospectus; and
- i) we shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.
- j) We shall create a recovery expense fund in the manner as may be specified by the Board from time to time and inform the Debenture Trustee about the same

- k) We undertake that the assets on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor

SECTION IV – MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Draft Shelf Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at 'Urjanidhi', 1 Barakhamba Lane, Connaught Place, New Delhi 110 001, India from 10.00 a.m. and 5.30 p.m. from the date of the filing of the Draft Shelf Prospectus with the Stock Exchange until the Tranche I Issue Closing Date.

MATERIAL CONTRACTS

1. Memorandum of Understanding dated December 30, 2020, executed between our Company and the Lead Managers.
2. Registrar Agreement dated December 28, 2020, executed between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated December 23, 2020, executed between our Company and the Debenture Trustee.
4. Agreed form of the Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
5. Tripartite Agreements dated April 25, 2006, and May 16, 2006, between our Company, the Registrar to the Issue, and CDSL and NSDL respectively.
6. Consortium Agreement dated January 11, 2021, executed between our Company and the Members of the Consortium.
7. Public Issue Account and Sponsor Bank Agreement dated January 11, 2021, executed between our Company, the Public Issue Account Bank, Refund Bank, Sponsor Bank, Lead Managers and Registrar to the Issue.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date;
2. Certificate of Incorporation of the Company dated July 16, 1986, and certificate of commencement of business of the Company dated December 31, 1987;
3. Certificate of registration of the Company as a IFC NBFC;
4. Copy of shareholders resolution dated September 29, 2020, under section 180(1)(c) of the Companies Act, 2013, approving the borrowing limits limit of the Board of Directors;
5. Copy of the Board resolution dated February 12, 2020, approving the Issue and delegating power to authorized officials to make further changes;
6. Copy of the resolution passed by the Board of Directors at its meeting held on December 30, 2020 approving the Draft Shelf Prospectus;
7. Copy of the letter issued by the CMD/ Director (Finance) approving the Shelf Prospectus dated January 11, 2021, Terms of the Issue and the Tranche I Prospectus dated January 11, 2021;
8. Consents of each of the Directors, the Chief Financial Officer, the Compliance Officer of the Company, Lead Managers, legal counsel to the Issue, Registrar to the Issue, Bankers to our Company, the Debenture Trustee, Public Issue Account Bank, Refund Bank and Sponsor Bank, Consortium Members and the Credit Rating Agencies to include their names in this Tranche I Prospectus, in their respective capacities;
9. Consent letter from CARE Ratings Limited in respect of permission to use and disclose the contents of the following reports for the section on 'Industry' in this Tranche I Prospectus:
 - 9.1. Report titled '*The Indian Power Sector (Economics) in 2019-20*' dated March 31, 2020;
 - 9.2. Report titled '*Power sector update (Economics)*' dated November 9, 2020;
 - 9.3. Report titled '*Oil and Gas FY20 update and FY21 outlook (Industry Research)*' dated May 18, 2020;
 - 9.4. Report titled '*Coal Update – October 2020*';

- 9.5. Report titled ‘Coal Update (Industry Research) – June 2020’ dated June 15, 2020;
 - 9.6. Report titled ‘Natural Gas H1-FY21 update (Industry Research)’ dated October 22, 2020; and
 - 9.7. Report titled ‘Crude Oil H1-FY21 update (Industry Research)’ dated October 22, 2020
10. Credit rating letter dated January 07, 2021, and credit rating rationale dated April 17, 2020, by CARE assigning a rating of “CARE AAA; Stable” in respect of the NCDs.
 11. Credit rating letter dated January 06, 2021, and credit rating rationale dated April 1, 2020, by ICRA assigning a rating of “[ICRA]AAA(Stable)” in respect of the NCDs.
 12. Credit rating letter dated January 08, 2021, and credit rating rationale dated March 29, 2020, by CRISIL assigning a rating of “CRISIL AAA / Stable” in respect of the NCDs.
 13. Consent of the Statutory Auditors dated December 30, 2020, to include their name as required under Section 26(1) of the Companies Act, 2013 and SEBI Debt Regulations in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 and Section 26(5) of the Companies Act, 2013 in relation to their (i) examination reports, each dated December 30, 2020, on the the Reformatted Consolidated Financial Information under IGAAP, the Reformatted Consolidated Financial Information under IND-AS, the Reformatted Standalone Financial Information under IND-AS and Reformatted Standalone Financial Information under IGAAP; (ii) Limited Review Financial Results dated November 12, 2020; and (iii) their report dated December 30, 2020, on the statement of tax benefits, included in this Tranche I Prospectus.
 14. Statutory Auditors’ examination reports, each dated December 30, 2020 on the the Reformatted Consolidated Financial Information under IGAAP, the Reformatted Consolidated Financial Information under IND-AS, the Reformatted Standalone Financial Information under IND-AS and Reformatted Standalone Financial Information under IGAAP.
 15. Statement of tax benefits dated December 30, 2020, issued by our Statutory Auditors;
 16. Annual report of our Company for the last five Fiscals;
 17. Limited Review Financial Results for the quarter and half year ended September 30, 2020;
 18. In-principle listing approval from BSE by its letter no. DCS/BM/PI-BOND/012/20-21 dated January 07, 2021;
 19. Due diligence certificate dated January 11, 2021, filed by the Lead Managers with SEBI;
 20. Exemption letter issued by SEBI dated October 19, 2020;
 21. Memorandum of Understanding dated September 29, 2020, for the year 2020-21 between our Company and Ministry of Power, GoI; and
 22. Memorandum of Understanding dated September 30, 2020, between our Company and REC Limited.

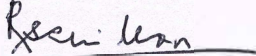
Any of the contracts or documents mentioned above may be amended or modified at any time, without reference to the NCD Holders, in the interest of our Company in compliance with applicable laws.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, read with rules prescribed thereunder, as amended, the relevant provisions of Companies Act, 1956, and the rules prescribed thereunder, to the extent applicable and in force, on the date of this Tranche I Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Reserve Bank of India and by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with. We further certify that the disclosures made in this Tranche I Prospectus are true and correct and in conformity with the Companies Act, 2013 read with rules prescribed thereunder, as amended, the relevant provisions of Companies Act, 1956, and the rules prescribed thereunder, to the extent applicable and in force as on the date of this Tranche I Prospectus, Schedule I of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche I Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, as amended, applicable as on the date of this Tranche I Prospectus, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder, and the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable to this Tranche I Prospectus.

We further certify that all the disclosures and statements in this Tranche I Prospectus are in compliance with all applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche I Prospectus does not contain any misstatements.

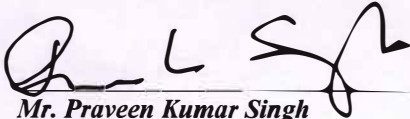
SIGNED BY ALL DIRECTORS:



Mr. Ravinder Singh Dhillon

DIN:00278074

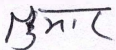
Chairman & Managing Director



Mr. Praveen Kumar Singh

DIN:03548218

Director (Commercial); Director (Projects)



Mr. Tanmay Kumar

DIN:02574098

Government Nominee Director



Mr. R. C. Mishra

DIN:02469982

Independent Director



Ms. Parminder Chopra

DIN:08530587

Director (Finance)

Date: 11.01.2021

Place: New Delhi

Annexure A

Credit Rating and Rationale



No. CARE/DRO/RL/2020-21/3294

Mr Y Venu Gopal
Chief General Manager (Finance)
Power Finance Corporation Limited
Ujanidhi, 1, Barakhamba Lane,
Connaught Place,
New Delhi
Delhi 110001

January 07, 2021

Confidential

Dear Sir,

Credit rating for Market Borrowing Programme

On the basis of recent developments including operational and financial performance of your Company for FY20 (Audited) and H1FY21 (unaudited), and the possible impact of the same on the credit profile of your company, our Rating Committee has reviewed the following ratings:

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Long Term Borrowing Programme for FY-21	98,000.00* [^] (Enhanced from 81,880.00)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
2.	Short Term Borrowing Programme for FY-21	5,000.00	CARE A1+ (A One Plus)	Assigned
	Total Instruments	1,03,000.00 (Rs. One Lakhs Three Thousand Crore Only)		

*Rs. 64,762.53 cr (including FCL) raised till Dec 31, 2020

[^]The Long Term Market Borrowing Program FY21 includes public issue of taxable non-convertible debentures aggregating upto Rs.10,000 crore

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

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

CARE Ratings Ltd.

CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaiya
Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai -
400 022.
Tel.: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457
Email: care@careratings.com • www.careratings.com

13th Floor, E-1 Block, Videocon Tower
Jhandewalan Extension, New Delhi - 110 055.
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

CIN-L67190MH1993PLC071691

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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3. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure 2. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by January 07, 2021, we will proceed on the basis that you have no any comments to offer.
4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
6. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are not recommendations to buy, sell, or hold any securities.

CARE Ratings Ltd.

13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

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

Thanking you,

Yours faithfully,



Vidushi Gupta
Analyst
vidushi.gupta@careratings.com



Gaurav Dixit
Associate Director
gaurav.dixit@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

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

CARE Ratings Ltd.

13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

Annexure - I
Details of Rated Instruments

Instrument	ISIN No.	Issue Date	Coupon rate (%)	Principal amount (Rs. Cr)	Principal redemption date
54 EC Bonds (Secured)	INE134E07935	30-Apr-2020	5.75	12.44	30-Apr-2025
54 EC Bonds (Secured)	INE134E07943	31-May-2020	5.75	39.39	31-May-2025
54 EC Bonds (Secured)	INE134E07950	30-Jun-2020	5.75	117.99	30-Jun-2025
54 EC Bonds (Secured)	INE134E07976	31-Jul-2020	5.75	82.56	31-Jul-2025
54 EC Bonds (Secured)	INE134E07984	01-Sep-2020	5	26.03	31-Aug-2025
54 EC Bonds (Secured)	INE134E07992	30-Sep-2020	5	61.44	30-Sep-2025
54 EC Bonds (Secured)	INE134E07AAB	01-Nov-2020	5	45.90	31-Oct-2025
54 EC Bonds (Secured)	INE134E07AB6	01-Dec-2020	5	48.87	30-Nov-2025
Taxable (Unsecured) Bonds	INE134E08KN8	20-Apr-2020	6.98	3160.00	20-Apr-2023
Taxable (Unsecured) Bonds	INE134E08KO6	24-Apr-2020	6.83	1970.00	24-Apr-2023
Taxable (Unsecured) Bonds	INE134E08KP3	24-Apr-2020	7.16	1320.00	24-Apr-2025
Taxable (Unsecured) Bonds	INE134E08KQ1	08-May-2020	7.4	2920.00	08-May-2030
Taxable (Unsecured) Bonds	INE134E08KR9	15-May-2020	7.68	3101.30	15-Jul-2030
Taxable (Unsecured) Bonds	INE134E08KS7	22-May-2020	6.75	2145.00	22-May-2023
Taxable (Unsecured) Bonds	INE134E08KT5	22-May-2020	7.17	810.00	22-May-2025
Taxable (Unsecured) Bonds	INE134E08KU3	22-May-2020	7.79	1936.00	22-Jul-2030
Taxable (Unsecured) Bonds	INE134E08KW9	11-Jun-2020	6.72	2206.00	09-Jun-2023
Taxable (Unsecured) Bonds	INE134E08KV1	11-Jun-2020	7.75	3318.00	11-Jun-2030
Taxable (Unsecured) Bonds	INE134E08KL2	14-Jul-2020	7.41	1500.00	25-Feb-2030
Taxable (Unsecured) Bonds	INE134E08KX7	28-Jul-2020	5.77	900.00	11-Apr-2025
Taxable (Unsecured) Bonds	INE134E08KY5	28-Jul-2020	6.88	1300.00	11-Apr-2031
Taxable (Unsecured) Bonds	INE134E08KZ2	10-Aug-2020	7.05	1610.10	10-Aug-2030
Taxable (Unsecured) Bonds	INE134E08LA3	10-Aug-2020	7.2	1605.70	10-Aug-2035
Taxable (Unsecured) Bonds	INE134E08LB1	20-Aug-2020	5.47	3000.00	20-Aug-2023
Taxable (Unsecured) Bonds	INE134E08LC9	09-Sep-2020	7.04	1097.40	16-Dec-2030
Taxable (Unsecured) Bonds	INE134E08LD7	17-Sep-2020	6.5	2806.00	17-Sep-2025
Taxable (Unsecured) Bonds	INE134E08LE5	29-Sep-2020	7.34	1711.00	29-Sep-2035
Taxable (Unsecured) Bonds	INE134E08LC9	11-Nov-2020	7.04	2549.10	16-Dec-2030
Rupee term loan (secured)		10-Jul-2020	6.7	5000.00	10-Jul-2025
Rupee term loan (secured)		25-Sep-2020	6.55	1400.00	15-Oct-2023
Rupee term loan (secured)		28-Sep-2020	6.7	1500.00	28-Sep-2025
Rupee term loan (secured)		30-Sep-2020	6.75	1800.00	30-Sep-2025
Rupee term loan (unsecured)		26-May-2020	6.85	200.00	26-May-2023
Rupee term loan (unsecured)		27-May-2020	6.8	1000.00	27-Nov-2021
Rupee term loan (unsecured)		30-Jun-2020	6.9	500.00	30-Jun-2025
Rupee term loan (unsecured)		30-Jun-2020	6.62	1000.00	30-Dec-2021
Rupee term loan (unsecured)		30-Jun-2020	7.4	3000.00	15-Jul-2023
Rupee term loan (unsecured)		31-Aug-2020	6.2	2000.00	31-May-2022
Rupee term loan (unsecured)		11-Sep-2020	6.7	1000.00	11-Sep-2026
Rupee term loan (unsecured)		22-Sep-2020	6.8	2000.00	22-Sep-2026
Proposed				36199.77	
Short term market borrowing programme (Proposed)				5000	

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ICRA

ICRA Limited

D/RAT/2020-21/P-3/29

January 06, 2021

Mr. Y. Venugopal
CGM - Finance
Power Finance Corporation Ltd.
1, Urjanidhi, Barakhamba Lane
Connaught Place, New Delhi- 110001

Dear Sir,

Re: ICRA Credit Rating for the Rs. 98,000-crore Long-term Borrowing Programme (revised from Rs. 81,880 crore) of Power Finance Corporation Ltd. for the financial year 2020-21

This is with reference to the outstanding rating of "[ICRA]AAA" (pronounced ICRA triple A) assigned to Rs. 81,880 crore long-term borrowing programme of your company and last communicated vide our letter dated December 24, 2020. Please refer to the rating agreement dated January 04, 2021 seeking rating for increased long-term borrowing programme of Rs. 98,000¹ crore (revised from Rs. 81,880 crore).

The rating committee of ICRA, after due consideration, has reaffirmed the rating of "[ICRA]AAA" for the Rs. 81,880 crore long-term borrowing programme of your company, and assigned the long-term rating of "[ICRA]AAA" to the additional limit of Rs. 16,120 crore. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The outlook on the long-term rating is "Stable".

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

We would request if you can sign the acknowledgement and send it to us latest by January 08, 2021 as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed in the circular dated June 30, 2017 on 'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)' issued by the Securities and Exchange Board of India. Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. The rating is restricted to your Long-Term Borrowing programme size of Rs. 98,000 crore only. Further the total utilisation of the captioned rated Long-Term borrowings programme (including Bonds, Long Term Bank Borrowings and Bank guarantees) and Short-Term borrowing (including Commercial Paper & Short-term bank borrowings) programme should not exceed Rs. 118,000 crore for financial year 2020-21.

If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

¹ This includes public issue of taxable bonds aggregating upto Rs. 10,000 crore

Electric Mansion, 3 rd Floor Apparabai Marathe Marg Pragnadevi Mumbai-400025	Tel : +91 22 61842800 CIN : L74099DL1901PLC042749	Website : www.icra.in Email : info@icra.co.in Helpdesk : +91 9354788309
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RATING • RESEARCH • INFORMATION



ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.

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

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

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

With kind regards,

For ICRA Limited

Karthik Srinivasan
Senior Vice President
Group Head - Financial Sector Ratings
karthiks@icraindia.com

End:-

- 1) Format for Monthly No-Default Statement Format



ANNEXURE I:

'No Default Statement on the Company Letter Head'

To,

ICRA Limited
 Building No. 8, 2nd Floor, Tower A,
 DLF Cyber City, Phase II, Gurugram -122002

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
3. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our listed debt obligations (Securities).
4. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our un-listed debt obligations (Securities).
5. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
6. We hereby confirm that as on date and in the month ended <<Month and Year name>> there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions.
7. We hereby confirm that as on date there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions which continues beyond 30 days.
8. We hereby confirm that as on date there are no over dues or default on revolving facilities like cash credit, from banks/financial institutions which continues beyond 30 days.
9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
10. We also confirm that there has been no overdrawing of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdrafts beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Text	Term Loan, CC					
Row 2						

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks
NCD					

Thanking You,
 Yours faithfully,
 <Authorized Signatory of Issuer>

Ratings

CONFIDENTIAL

PFCLMTD/262939/LTBP/031220201
January 8, 2021

Mr. Y Venu Gopal
Chief General Manager
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Y Venu Gopal,

Re: Review of CRISIL Rating on the Rs.98000 crore Long Term Borrowing Programme@ (Enhanced from Rs. 81880 crore) of Power Finance Corporation Limited

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

CRISIL has, after due consideration, reaffirmed its "CRISIL AAA/Stable" (pronounced as CRISIL triple A rating with Stable outlook) rating on the captioned debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

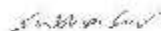
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

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

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

With warm regards,

Yours sincerely,



Subha Sri Narayanan
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



@Borrowing programme for fiscal 2021 (refers to financial year, April 1 to March 31). The overall limit for the long-term borrowing programme and the short-term borrowing programme is Rs 1,18,000 crore. The long-term borrowing programme includes tax-free bonds under Section 10 of the Income Tax Act. Total incremental long-term bank borrowing and short-term borrowings not to exceed Rs 98,000 crore and Rs 20,000 crore, respectively, at any point in time during fiscal 2021. The long term borrowing programme includes Public Issue of Taxable Non-Convertible Debentures aggregating Rs 10,000 crore

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-207-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number U37100MH2014PLC2036241

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www.crisil.com/ratings



No. CARE/DRO/RR/2020-21/1158

Ms. Parminder Chopra
Executive Director (Finance)
Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane,
Connaught Place, New Delhi – 110001

April 17, 2020

Dear Mam,

Credit rating of Power Finance Corporation Limited for proposed Market Borrowing Programme FY21 of Rs.75,000 crore and CP issue FY21 of Rs.15,000 crore

Please refer to our letters dated March 23, 2020 on the above subject.

2. The rationale for the rating is attached as an **Annexure-I**.
3. We request you to peruse the annexed document and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by April 18, 2020, we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

Vidushi Gupta
Analyst

vidushi.gupta@careratings.com

Gaurav Dixit

Deputy General Manager

gaurav.dixit@careratings.com

Encl.: As above

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CIN-L67190MH1993PLC071691

Rating Rationale

Power Finance Corporation Limited

Ratings

Instruments	Amount (Rs. Cr)	Rating ¹	Rating Action
Long term market borrowing programme for FY21	70,000	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Short term market borrowing programme for FY21	5,000	CARE A1+ (A One Plus)	Assigned
Commercial Paper issue for FY21	15,000	CARE A1+ (A One Plus)	Assigned

Details of instruments in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the market borrowing programme of Power Finance Corporation Limited (PFC) factor in the majority ownership (55.99% stake as on Dec 31, 2019) by the Government of India (GoI) and PFC's strategic importance to GoI, in the development of power infrastructure in India. The rating also draws comfort from PFC's quasi sovereign status that allows it to have a diversified resource profile, adequate profitability and capitalization metrics. However the rating also factors in the risk associated with weakness in PFC's asset quality by way of exposure to private sector, high exposure to weak state power utilities and high sector as well as borrower concentration risks.

With respect to the acquisition of Government of India's (GoI) existing 52.63% equity shareholding in REC Limited by PFC, the acquisition transaction was completed on March 28, 2019 with PFC making a payment of Rs.14,500 crore to GoI. Post the transaction, REC becomes a subsidiary of PFC. PFC is expected to maintain comfortable capital structure and financial profile backed by expectation of continued strong support from GoI;

Rating Sensitivities

Going forward, any material change in the shareholding pattern leading to reduced support from GoI is a key rating sensitive. On a standalone basis; PFC's ability to manage adequate capitalization, asset quality, maintain adequate liquidity, and profitability would be the factors to be considered

Negative factors

- Any material change in the shareholding pattern and/or reduced expectation of support from GoI
- Further deterioration in the asset quality profile
- Weakness in the capitalization profile with CAR going below regulatory minimum

Detailed description of the key rating drivers:

Key Rating Strengths

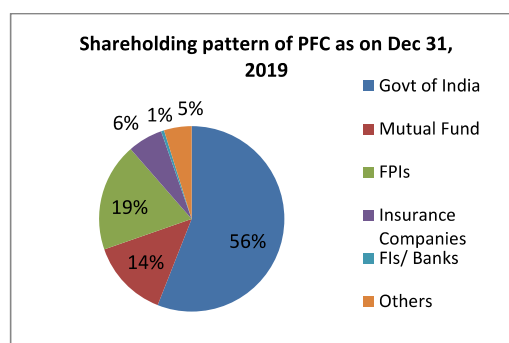
Government ownership and status of nodal agency

As a public financial institution, PFC enjoys patronage from and support of GoI because of the pivotal role it plays in financing power projects of both the state and private sector, thereby being instrumental in strengthening the power infrastructure of the country. PFC continues to be a strategically important entity for the government as it is the nodal agency for various GoI's schemes such as Ultra Mega Power Project (UMPP) scheme that is aimed at meeting India's power requirement with each UMPP having a capacity of 4,000 megawatts (MW) or above and the R-APDRP scheme (subsumed into Integrated Power Development Scheme (IPDS)) that is aimed at strengthening and up-gradation of sub transmission and distribution network.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

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Additionally the Ministry of Power (MoP) has initiated tariff-based competitive bidding process for development and strengthening of transmission system through private sector participation. PFC Consulting Limited (PFCL), a wholly owned subsidiary of PFC, has been nominated as 'Bid Process Coordinator' by Ministry of Power, Govt. of India for the development of independent transmission projects.



Diversified resource profile

As a quasi-sovereign financial institution, PFC is able to manage a well-diversified resource profile and can mobilize funds at cost effective rates from various sources such as external commercial borrowings (ECB), domestic financial institutions, long-term bonds, bank loans, commercial paper, infrastructure bonds and tax free bonds. Since it's a non-deposit accepting NBFC, it has accepted no public deposits and no perpetual debt instruments were issued by PFC in fiscal 2019. End December 2019; PFC's borrowings stood at Rs 289,264 crore, up 16% Y-o-Y or +2% Q-o-Q. The resource profile remained well diversified with 64% of funds emanating from bonds, followed by loans from banks forming another 17% and foreign currency borrowings at 14%. The share of commercial paper remained low at just 1% of total borrowings. For the quarter ending Dec 31, 2019, the company's average borrowing costs (annualized) stood at 7.8%. Overall the share of foreign currency borrowings has been gradually rising and formed 10% of total borrowings end fiscal 2019 as against 8% in fiscal 2018 and 4% two years ago. End December 2019, the share of foreign borrowings stood at 14%.

To mitigate foreign exchange risks, PFC has hedged 67% of the foreign currency portfolio with residual maturity up-to five years. In 9M ended December 2019, the company raised Rs 63,790 crore of funds, of which 75% were domestic raised and remaining 25% were foreign borrowings. In Q3, PFC raised USD 250 million for five year tenure.

Trend in borrowings

As on March 31,	2016		2017		2018		2019	
	Rs crore	%	Rs crore	%	Rs crore	%	Rs crore	%
Rupee denominated	189,708	95%	194,144	95.83%	211,278	92.04%	246865	90%
Foreign Currency loans	10,776	5%	8,444	4.17%	18,260	7.96%	28827	10%

Adequate capitalization

As on Dec 31, 2019, PFC's Tier 1 and total CAR remained adequate at 14.37% and 19.32% respectively, up from 11.73% and 17.09% respectively reported as on March 31, 2019, though down from 16.98% and 19.99% respectively reported end fiscal 2018. On account of Ind AS adoption from Q1, FY19, PFC's net worth declined by around Rs.3,000 crore (primarily on account of expected credit loss or ECL adjustment) and as a result PFC's overall Tier-1 and CAR capital reduced in fiscal 2019 though remains well above the regulatory minimum requirement of 10% and 15% respectively.

Trend in capitalization metrics

	FY 2016	FY 2017	FY 2018	FY 2019	Dec 31, 2019
Tier 1 (%)	17.07	16.20	16.98	11.73	14.37
Total CAR (%)	20.27	19.28	19.99	17.09	19.32

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Stable profitability metrics

End fiscal 2019, PFC reported net profit of Rs 6,953 crore on total income (net of interest expenses) of Rs 9,459 crore as against net profit of Rs 4,387 crore on total income (net of interest expenses) of Rs 8,606 crore an year ago. While there was some margin contraction with net interest margin at 3.07% end fiscal 2019 as against 3.19% for fiscal 2018, the overall profitability was supported by provision reversals. For the quarter ended December 31, 2019, PFC's net profit stood at Rs 1680 crore, down 19.3% Y-o-Y from Rs 2084 crore reported corresponding quarter last year. Overall, the company reported 7% Y-o-Y rise in net interest income to Rs 2619 crore on the back of 12% Y-o-Y loan growth. Also, in view of stabilizing asset quality concerns, there was further reversal in provisioning expenses. However, the strong core results were partially offset by rise in expenses.

Key Rating Weakness

Growth in credit portfolio with moderation in asset quality

End fiscal 2019, PFC's loan book stood at Rs 314,667 crore, up ~13% Y-o-Y that further increased to Rs 3,32,962 crore as on Dec 31, 2019. The growth in government sector loans (83% of loans outstanding as on March 31, 2019) remained high with such loans up 14% Y-o-Y, while the private sector loans grew by 5% during the year. In the last couple of years, the share of government sector exposure has constituted majority of PFC's loan portfolio and hovering at around 83% while the share of private sector loans has remained around 17-18%.

Trend in growth of loans

	FY 2017	FY 2018	FY 2019	June'2019	Sept'2019	Dec'2019
Government (Rs crore)	203,446	228,114	261,055	260,402	268,786	2,77,744
Y-o-Y growth	1%	12%	14%	12%	12%	13%
Private sector (Rs crore)	42,079	50,801	53,612	56,484	56,648	55,218
Y-o-Y growth	10%	21%	5%	9%	8%	7%
Total (Rs crore)	245,525	278,915	314,667	316,886	325,434	3,32,962
Y-o-Y growth	3%	14%	13%	11%	11%	12%

PFC is exempted from following single entity/group exposure norms and concentration limits that are applicable to non-banking finance companies. Subsequently PFC faces high concentration risk with advances to top 20 borrowers constitution 60% of total loans outstanding as on March 31, 2019 as against 58% as on March 31, 2018 and 62.5% end fiscal 2017. Overall, in the last four years till March 31, 2019, the loan book has grown at a four year CAGR of 10%, of which the generation loans grew at a four year CAGR of 7%, while the transmission loans were up 17% (mainly due to lower base). The share of loans towards generation continues to form largest chunk though its share has come down to 71% end March 31, 2019, as against 76% two years ago. End December 31, 2019, PFC's gross loan book stood at Rs 332,692 crore, up 12% Y-o-Y or 2% Q-o-Q. The trend in composition of loan book remains broadly same with government sector contributing to 83% of loans while the share of private sector loans remains unchanged at 17%. For the nine months ending December 31, 2019, the total disbursements stood at Rs 47,246 crore, up 4.6% Y-o-Y, of which ~57% are towards generation, ~33% in distribution and ~10% in transmission.

PFC's reported asset quality metrics continue to be weak with gross non-performing assets (GNPA) and NNPA at 9.39% and 4.55% as on March-19 as against 9.57% and 7.39% reported a year ago. With the reduction in net NPA, PFC's provision coverage ratio (CARE adjusted) have improved to 49% as on March 31, 2019 as against 23% a year ago. Of the total loans, 82% are government sector loans where the servicing of loans is regular and there is no stress. Of the private sector exposure constituting the remaining 18% (as on March 31, 2019), about half of the loans are stressed. So the weakness in loans remains confined to PFC's private sector loan portfolio. Also, the company's book is majorly secured (63%) by either tangible assets or guaranteed by banks/government. The share of guaranteed portfolio has doubled during the year, while the remaining fifth of loans remain unsecured. End Dec 2019, the reported GNPA and NNPA stood at 8.3% and 3.9% respectively and reported a CARE adjusted provision coverage ratio of 53%.

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Trend in asset quality

	FY 2017	FY 2018	FY 2019	30-Jun-19	Sept 2019	Dec 2019
GNPA (Rs crore)	30,702	26,703	29,540	30,440	29,466	27,765
NNPA (Rs crore)	25,346	20,600	14,332	14,740	13,917	13,111
GNPA (%)	12.50%	9.57%	9.39%	9.61%	9.05%	8.3%
NNPA (%)	10.32%	7.39%	4.55%	4.65%	4.28%	3.9%
CARE adjusted PCR (%)	17%	23%	49%	52%	53%	53%

Liquidity: Adequate

Per PFC's statement of structured liquidity as on December 31, 2019, there are negative cumulative mismatches of Rs.5562 crore in upto 1 year bucket. However, PFC's ability to effectively raise funds in a cost effective manner and financial flexibility arising out of majority sovereign ownership provides comfort to the liquidity profile. PFC had unutilized bank lines to the tune of ~Rs.5300 crore as on March 12, 2020. Also, PFC's ability to mobilize resources from diversified sources and financial flexibility arising from GoI ownership provides cushion to the liquidity profile.

Analytical approach: Standalone, factoring in timely equity support from Government of India given PFC is majority owned by GoI and plays strategic role in power sector financing and development in India

Applicable Criteria

[Criteria on assigning Outlook and Credit Watch to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[CARE Methodology for Non Banking Financial Companies](#)

[Financial Sector –Financial Ratios](#)

[CARE's methodology for Short-term Instruments](#)

[CARE's Methodology for Factoring Linkages in Ratings](#)

About the company

PFC was set up in the year 1986 as a Financial Institution (FI) dedicated to power sector financing. The corporation was notified as a public financial institution in 1990 under the Companies Act, 1956. Until 1996, PFC lent exclusively to the public sector entities. Since 1996, it has expanded its customer profile to include private sector power utilities and projects. In the year 2010, RBI had classified the company as 'Infrastructure Finance Company (NBFC-ND-IFC)'. The product portfolio of PFC includes financial products and services like rupee term loan, short-term loan, equipment lease financing and transitional financing services, etc, for various power projects in generation, transmission and distribution sector. PFC's clients mainly include central power utilities, state power utilities, private power sector utilities (including independent power producers), joint sector power utilities and power equipment manufacturers.

Financial Performance

As on / Year ended March 31	(Rs. Crore)		
	2017	2018	2019
	(12m,A)	(12m,A)	(12m,A)
	I-GAAP	IND AS	IND AS
Working Results			
Interest Income from loan financing	26,270	25,562	28,441
Other income	748	418	410
Total Income	27,019	25,980	28,851
Operating Expenses	356	788	925
Total Provision / Write offs	5,094	2,391	-871
Interest	16,459	16,956	18,982
PBT	5,110	5,845	9,816
PAT	2,126	4,387	6,953

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As on / Year ended March 31	2017	2018	2019
	(12m,A)	(12m,A)	(12m,A)
	I-GAAP	IND AS	IND AS
Financial Position			
Tangible Net worth	36,470	32,408	39,227
Total Borrowings	2,02,588	2,36,785	2,95,239
Total Loan Portfolio	2,45,525	278,915	3,14,667
Total Assets	2,58,461	2,75,360	3,40,794
Key Ratios (%)			
Solvency			
Overall Gearing (times)	5.55	7.31	7.53
Capital Adequacy Ratio (CAR) (%)	19.28	19.99	17.09
Tier I CAR (%)	16.2	16.98	11.73
Interest Coverage (times)	1.31	1.34	1.52
Profitability			
Net Interest Margin	3.95%	3.19%	3.07%
Return on Total Assets (ROTA)	0.83%	1.63%	2.26%
Operating expenses to Total Assets	0.14%	0.29%	0.30%
Asset Quality			
Gross NPA Ratio	12.50%	9.57%	9.39%
Net NPA Ratio	10.32%	7.39%	4.55%
Net NPA to Net worth	69.50%	63.56%	36.54%

A: Audited

Note: Ratios have been computed based on average of annual opening and closing balances

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Borrowings-Market Borrowing Programme-LT		Proposed		70000.00	CARE AAA; Stable
Short Term Instruments-Short Term Borrowing		Proposed		5000.00	CARE A1+
Commercial Paper		Proposed		15000.00	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Borrowings-Market Borrowing Programme	LT	11219.50	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)	1)CARE AAA; Stable (13-Dec-16) 2)CARE AAA (07-Oct-16)

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Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
2.	Borrowings-Market Borrowing Programme	LT	8674.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)	1)CARE AAA; Stable (13-Dec-16) 2)CARE AAA (07-Oct-16)
3.	Debt-Subordinate Debt	LT	3800.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)	1)CARE AAA; Stable (13-Dec-16) 2)CARE AAA (07-Oct-16)
4.	Borrowings-Market Borrowing Programme	LT	34434.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)	1)CARE AAA; Stable (13-Dec-16) 2)CARE AAA (07-Oct-16)
5.	Borrowings-Market Borrowing Programme	LT	13880.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)	1)CARE AAA; Stable (13-Dec-16) 2)CARE AAA (07-Oct-16) 3)CARE AAA / CARE A1+ (14-Apr-16)
6.	Borrowings-Market Borrowing Programme	LT	41115.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)	1)CARE AAA; Stable (17-Mar-17) 2)CARE AAA; Stable (13-Dec-16) 3)CARE AAA (17-Nov-16) 4)CARE AAA (07-Oct-16) 5)CARE AAA (09-Jun-16) 6)CARE AAA (24-May-16) 7)CARE AAA (14-Apr-16)
7.	Short Term Instruments-Short Term Borrowing	ST	0.00	CARE A1+	-	-	1)CARE A1+ (06-Oct-17)	1)CARE A1+ (17-Mar-17) 2)CARE A1+

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Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
								(13-Dec-16) 3)CARE A1+ (17-Nov-16) 4)CARE A1+ (07-Oct-16) 5)CARE A1+ (09-Jun-16) 6)CARE A1+ (24-May-16) 7)CARE A1+ (14-Apr-16)
8.	Borrowings-Market Borrowing Programme	LT	33118.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (01-Mar-18) 2)CARE AAA; Stable (06-Oct-17) 3)CARE AAA; Stable (20-Sep-17) 4)CARE AAA; Stable (04-Sep-17) 5)CARE AAA; Stable / CARE A1+ (25-Apr-17)	-
9.	Short Term Instruments-Short Term Borrowing	ST	1925.00	CARE A1+	1)CARE A1+ (03-Oct-19)	1)CARE A1+ (13-Dec-18) 2)CARE A1+ (26-Sep-18)	1)CARE A1+ (06-Oct-17) 2)CARE A1+ (20-Sep-17) 3)CARE A1+ (04-Sep-17) 4) (25-Apr-17)	-
10.	Borrowings-Market Borrowing Programme	LT	80000.00	CARE AAA; Stable	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (28-Mar-19) 2)CARE AAA; Stable (13-Dec-18) 3)CARE AAA; Stable (05-Dec-18) 4)CARE AAA; Stable (05-Nov-18) 5)CARE AAA;	-	-

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Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
						Stable (26-Sep-18) 6)CARE AAA; Stable (03-Apr-18)		
11.	Short Term Instruments-Short Term Borrowing	ST	4000.00	CARE A1+	1)CARE A1+ (03-Oct-19)	1)CARE A1+ (28-Mar-19) 2)CARE A1+ (13-Dec-18) 3)CARE A1+ (05-Dec-18) 4)CARE A1+ (05-Nov-18) 5)CARE A1+ (26-Sep-18) 6)CARE A1+ (24-Apr-18) 7)CARE A1+ (03-Apr-18)	-	-
12.	Commercial Paper	ST	13000.00	CARE A1+	1)CARE A1+ (03-Oct-19)	1)CARE A1+ (13-Dec-18) 2)CARE A1+ (05-Dec-18) 3)CARE A1+ (05-Nov-18) 4)CARE A1+ (26-Sep-18) 5)CARE A1+ (24-Apr-18)	-	-
13.	Borrowings-Market Borrowing Programme	LT	88000.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Feb-20) 2)CARE AAA; Stable (11-Nov-19) 3)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (28-Mar-19)	-	-
14.	Short Term Instruments-Short Term Borrowing	ST	2000.00	CARE A1+	1)CARE A1+ (21-Feb-20) 2)CARE A1+ (11-Nov-19) 3)CARE A1+ (03-Oct-19)	1)CARE A1+ (28-Mar-19)	-	-
15.	Commercial Paper	ST	10000.00	CARE	1)CARE A1+	1)CARE A1+	-	-

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Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
				A1+	(21-Feb-20) 2)CARE A1+ (11-Nov-19) 3)CARE A1+ (03-Oct-19)	(28-Mar-19)		
16.	Borrowings-Market Borrowing Programme	LT	70000.00	CARE AAA; Stable	-	-	-	-
17.	Short Term Instruments-Short Term Borrowing	ST	5000.00	CARE A1+	-	-	-	-
18.	Commercial Paper	ST	15000.00	CARE A1+	-	-	-	-

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Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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This follows are press release for the entity published on March 23, 2020

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April 01, 2020

Power Finance Corporation Ltd.: [ICRA]AAA(Stable)/[ICRA]A1+ Rating assigned for fresh borrowing programme; earlier ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term borrowing programme FY2021	-	70,000.00	[ICRA]AAA(Stable); Assigned
Short-term borrowing programme FY2021	-	20,000.00	[ICRA]A1+; Assigned
Overall borrowing programme FY2021	-	90,000.00	
Long-term borrowing programme FY2020	88,000.00	88,000.00	[ICRA]AAA(Stable); Reaffirmed
Short-term borrowing programme FY2020	12,000.00	12,000.00	[ICRA]A1+; Reaffirmed
Overall borrowing programme FY2020	1,00,000.00	1,00,000.00	
Short-term borrowing programme FY2019	17,000	-	[ICRA]A1+; Withdrawn#
Long-term/short-term borrowing programmes from earlier years	2,02,125.72	2,02,125.72	[ICRA]AAA(Stable), [ICRA]A1+; Reaffirmed
Long-term/short-term borrowing programmes from earlier years	2,12,379.28	-	[ICRA]AAA(Stable)/[ICRA]A1+; Withdrawn#
Total	5,31,505.00	3,92,125.72	

*Instrument details are provided in Annexure-1; # Withdrawn as ISINs stand fully redeemed basis publicly available information

Rationale

While arriving at the ratings, ICRA has taken a consolidated view of the credit profiles of Power Finance Corporation Ltd. (PFC) and REC Limited (REC), as REC is a subsidiary of PFC and both entities are in a similar line of business with strategic importance to the Government of India (GoI) and overlapping clientele.

The ratings continue to draw significant strength from PFC's sovereign ownership¹, its importance to the GoI, given its important role as a nodal agency for various power sector schemes, and its dominant market position (including REC) in the power sector financing segment. The ratings also continue to draw comfort from PFC's healthy financial flexibility by virtue of its ownership and adequate profitability profile.

These strengths are partly offset by the company's exposure to a single sector (i.e. power) with a high concentration towards state power utilities as well as the vulnerability of its exposure to private sector borrowers (17% and 14% of the loan book as on December 31, 2019, at the standalone and consolidated level, respectively). This is reflected by the asset quality indicators with the stage 3 assets at 8.3% and 7.4% of total advances at the standalone and consolidated level, respectively, as of December 31, 2019.

¹ 56% held by the GoI as on December 31, 2019

ICRA notes that while PFC's capitalisation level was characterised by a comfortable Tier I capital of 15.95% as of December 31, 2018, the cushion over the regulatory levels declined with the Tier I capital at 11.7% as of March 31, 2019 post the acquisition of the Gol's stake in REC by PFC in March 2019. The acquisition impacted the company's capitalisation level as it had to knock off its investment (in excess of 10% of its net owned funds (NOF)) in REC from its NOF for capital adequacy calculations. Nevertheless, the capitalisation level remained above the regulatory threshold of 10% and is improving steadily, as also seen in 9M FY2020, with the Tier I improving to 14.37% as on December 31, 2019. Further, ICRA notes that the consolidated leverage increased (8.2 times as of December 31, 2019 compared to 6.9 times prior to the acquisition) and the consolidated solvency (Net Stage 3 Assets/Tier I Capital) was impacted by the aforesaid transaction and stood at 38% as on December 31, 2019 (43% as on September 30, 2019).

ICRA believes that prudent capitalisation is a key mitigant against the risks in PFC's portfolio arising out of the sectoral and credit concentration. A gradual and sustained improvement is expected in the consolidated solvency to a level comfortably below 40% with healthy internal capital generation, recoveries and no major incremental slippages over the medium term. Also, based on discussions with the managements and stakeholders of both entities, including the principal shareholder, ICRA understands that PFC and REC remain important vehicles for the implementation of the Gol's various power sector schemes, and support, if needed, will be forthcoming from the Gol. Support to REC, if required, will be extended by the Gol through PFC.

The Stable outlook reflects ICRA's expectation that PFC, along with REC, will remain strategically important to the Gol and will continue to play a major role in various power sector schemes of the Government. Consequently, PFC and REC are likely to retain a dominant position in power sector financing, while maintaining an adequate profitability, borrowing and capitalisation profile. With PFC and REC becoming a part of the same group, there could be some challenges in incremental fund-raising owing to the group exposure limits that the lenders might have. However, the impact of the same, if any, on a sustained basis, would only be visible over the medium term. Overall, PFC's ability to grow its loan book while maintaining adequate profitability and controlling credit costs would remain a monitorable.

Key rating drivers and their description

Credit strengths

Majority ownership by Gol and strategic importance, given the role played in implementing various Gol schemes and dominant position in power sector financing – Being nodal agencies for implementing various Gol schemes aimed at developing the country's power sector (such as Ultra Mega Power Projects (UMPPs) and the Integrated Power Development (IPD) Scheme), PFC and REC remain strategically important to the Gol for achieving its objective of augmenting power capacity across the country. Further, the Gol remains a majority shareholder in PFC, with a stake of ~56% as of December 31, 2019, and has representation on the company's board. Given the Gol's support, PFC has been able to raise funds at competitive rates. Precedents, wherein it received approval from the Gol to raise tax-free and 54EC low-cost capital gain bonds, provide comfort with respect to its financial flexibility, ability to raise low-cost funds, and maintain a diversified borrowing profile. Also, PFC has an experienced management team with the senior team having an experience of more than 30 years in power financing. Moreover, the company, along with REC, has maintained a dominant position in power sector financing with a large share of funding to state power utilities. ICRA notes that PFC's acquisition of REC further strengthened its position, while supporting better portfolio diversity, compared to individual entities. At the same time, with PFC and REC becoming a part of the same group, challenges in incremental fund-raising owing to the group exposure limits that the lenders might have, will remain a monitorable over the medium term.

Adequate profitability profile – Given the increased share of non-performing advances, PFC and REC's yield on loan assets moderated to the sub-10% range during the past three years compared to a level well over 10.5% in FY2017. The cost of funds, however, witnessed a lower decline during this period, leading to a decline in spreads. Consequently, the

net interest margins (NIMs) were lower at less than 3% during FY2018-9M FY2020 compared to a level close to 4% in FY2017. Nevertheless, the company's profitability remains adequate with a return on equity (RoE) of 12.4% and 17.3% at the standalone and consolidated level, respectively, in 9M FY2020. At the standalone level, PFC's five-year average RoA and RoE for FY2015-FY2019 stood at 2.0% and 15%, respectively. Also, while the sizeable investment in REC impacts PFC's standalone margins, the impact on profitability is likely to be partially offset by the profit in the form of the dividend declared by REC. Incrementally, PFC is likely to maintain a spread of 2.5-3% on its lending. ICRA, however, notes that PFC's credit costs could increase if there is a higher-than-expected haircut on the stressed private sector exposures or there are sizeable fresh slippages, thereby adversely impacting the profitability.

Credit challenges

Moderation of capitalisation level on REC acquisition – The acquisition of REC impacted PFC's capitalisation level, given the requirement to knock off its investment (in excess of 10% of its NOF) in REC from its NOF for capital adequacy calculations. Thus, while PFC's capitalisation level was characterised by a comfortable Tier I capital of 15.95% as of December 31, 2018, the cushion reduced with the Tier I capital at 11.7% as of March 31, 2019. Nevertheless, the capitalisation level remained above the regulatory threshold of 10% and is improving steadily, as also seen in 9M FY2020, with the Tier I improving to 14.37% as on December 31, 2019. Further, ICRA notes that the consolidated leverage increased (8.2 times as of December 31, 2019 compared to 6.9 times prior to the acquisition) and the consolidated solvency (Net Stage 3 Assets/Tier I Capital) was impacted by the aforesaid transaction and stood at 38% as on December 31, 2019 (43% as on September 30, 2019).

ICRA believes that prudent capitalisation is a key mitigant against the risks in PFC's portfolio arising out of the sectoral and credit concentration. A gradual and sustained improvement is expected in the consolidated solvency to a level comfortably below 40% with healthy internal capital generation, recoveries and no major incremental slippages over the medium term. Also, based on discussions with the managements and stakeholders of both entities, including the principal shareholder, ICRA understands that PFC and REC remain important vehicles for the implementation of the Gol's various power sector schemes, and support, if needed, will be forthcoming from the Gol. Support to REC, if required, will be extended by the Gol through PFC. This provides comfort as the Gol's stake in PFC is limited at ~56%, which constrains the company's ability to raise capital from non-Government sources without diluting the Gol's shareholding, unless the Gol participates in such capital-raising programmes.

High concentration risk and portfolio vulnerability – PFC's exposure to a single sector (i.e. power), the large ticket size of loans, high concentration of exposure towards financially weak state power utilities and the vulnerability of its exposure to private sector borrowers (17% and 15% of the loan book as on December 31, 2019, at the standalone and consolidated level, respectively) increase its portfolio vulnerability. The risk is further heightened as PFC and REC are exempt² from the concentration norms applicable to non-banking financial companies (NBFCs), and thus have relatively concentrated exposures. PFC's independent power producer (IPP) portfolio remains impacted by concerns regarding fuel availability, disputed and competitive power sale tariffs, absence of power purchase agreements (PPAs), environmental clearance and land acquisition issues.

PFC's gross stage 3 assets as of December 31, 2019 stood at 8.3% and 7.4% of total advances at the standalone and consolidated level, respectively. With provision covers of 53% and 52%, respectively, at the standalone and consolidated level, the net stage 3 assets as of December 31, 2019 stood at 4.1% and 3.7% of total advances at the standalone and consolidated level, respectively. Over 50% of the consolidated private sector book is recognised as a part of the Stage III assets on which the company has made provisions of 52%. It might have to create additional provisions if it is unable to

² Exemption available in case of lending to state government entities

effectively resolve the stressed assets. ICRA, however, believes that any incremental stress in the loan book is likely to be restricted to the private sector book, wherein most of the stressed loans are already in Stage III. Going forward, the company's ability to grow its loan book, while controlling the credit costs and maintaining profitability, would be imperative.

Liquidity position: Adequate

PFC's asset liability maturity (ALM) profile is characterised by cumulative negative mismatches in the up to one-year buckets (~6% of the total assets as of March 2019, considering principal amounts only), given the relatively long tenure of the loans extended by it. While these gaps can be partially bridged through sizeable unutilised bank lines (about Rs. 5,300 crore as of March 12, 2020), the company also relies on interest income and refinancing to repay its maturing debt. ICRA notes that the cumulative negative mismatches, considering both principal and interest amounts, in the up to one-year buckets are relatively lower though still sizeable (~1.7% and 3.5% of the loans assets as of December 2019 and March 2019, respectively). Also, the gaps could widen if the entity permits the underlying borrowers to defer repayments by three months, in line with the RBI's latest directions. However, the healthy financial flexibility, supported by the sovereign ownership and the ability to raise funds at short notice, provides comfort.

Rating sensitivities

Positive triggers – Not applicable

Negative triggers – ICRA could change the rating outlook to Negative or downgrade the ratings on a change in ownership and/or a change in PFC's strategic role or importance to the GoI. Also, a deterioration in the consolidated solvency (Net Stage III/Tier I Capital) of PFC and REC, to a level above 40% on a sustained basis, will be a negative for the credit profile.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Impact of Parent or Group Support on an Issuer's Credit Rating
Parent/Group Support	The ratings derive strength from PFC's majority ownership by the GoI (56% as on December 31, 2019) and its important role as a nodal agency for various power sector schemes of the Government. The GoI ownership supports PFC's financial flexibility.
Consolidation/Standalone	Consolidation

About the company

PFC, incorporated in 1986, is a non-banking financial company (NBFC) with infrastructure finance company status. It was set up by the Government of India (GoI) as a specialised development financial institution to fund projects in the domestic power sector. The GoI held a 56% stake in the company as on December 31, 2019.

PFC provides loans for a range of power sector activities including generation, distribution, transmission, and plant renovation and maintenance. It finances state sector entities including generating and distribution companies as well as IPPs. PFC is also the nodal agency for the development of Ultra Mega Power Projects (UMPPs) and the Integrated Power Development Scheme (IPDS) and the bid process coordinator for the Independent Transmission Projects (ITP) Scheme.

PFC is the promoter and holding company of REC Limited. In March 2019, it acquired 103.94-crore equity shares of REC from the President of India constituting 52.63% of the paid-up share capital of REC. The cash purchase consideration for the transaction was Rs. 139.50 per share, implying a total acquisition cost of ~Rs. 14,500 crore.

PFC, on a standalone basis, reported a profit after tax (PAT) of Rs. 6,953 crore in FY2019 compared to PAT of Rs. 4,387 crore in FY2018. Subsequently, in 9M FY2020, it achieved a PAT of Rs. 4,220 crore compared to Rs. 4,835 crore in 9M FY2019. As of December 31, 2019, its reported capital adequacy was 19.3% with Tier I of 14.4% (CRAR and Tier I stood at 17.1% and 11.7%, respectively, as of March 31, 2019), and it had a total loan book of Rs. 3,32,962 crore (Rs. 3,14,667 crore as of March 31, 2019). PFC's exposure to state power utilities and Central and joint sector entities accounts for 83% of its total advances.

At the consolidated level, PFC achieved a PAT of Rs. 8,784 crore in 9M FY2020 (Rs. 9,249 crore in 9M FY2019), following the PAT of Rs. 12,640 crore reported in FY2019. As of December 31, 2019, its reported capital adequacy was 18.1% (16.8% as on March 31, 2019), and it had a total loan book of Rs. 6,40,387 crore (Rs. 5,96,142 crore as on March 31, 2019).

Key financial indicators

	Standalone			Consolidated	
	FY2018	FY2019	9M FY2020*	FY2019	9M FY2020*
Accounting Standard	Ind-AS	Ind-AS	Ind-AS	Ind-AS	Ind-AS
PAT	4,387	6,953	4,220	12,640	8,784
Net Worth	36,956	43,288	47,227	63,484	71,664
Loan Book	2,78,915	3,14,667	3,32,962	5,96,142	6,40,387
CRAR (%)	17.1%	17.1%	19.3%	16.8%	18.1%
Tier I (%)	14.0%	11.7%	14.4%	12.4%	NA
Gearing (ex. Govt FSBs; times)	6.4	6.8	6.3	8.5	7.9
Return on Net Worth (%)	12.1%	17.3%	12.4%	21.3%	17.3%
Gross Stage 3 (%)	9.6%	9.4%	8.3%	8.4%	7.4%
Net Stage 3 (%)	4.8%	4.8%	4.1%	4.4%	3.7%
Net Stage 3/Net Worth	34%	33%	28%	39%	32%
Net Stage 3/Tier I	42%	60%	45%	50%	38%

Source: Financial statements of PFC and REC; Amounts in Rs. crore; *Unaudited

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

Instrument	Current Rating (FY2020)				Chronology of Rating History for the Past 3 Years										
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Rating		FY2019								FY2018	FY2017
				01-Apr-20	18-Nov-19	28-Mar-19	19-Mar-19	27-Feb-19	12-Dec-18	6-Dec-18	5-Nov-18	5-Apr-18	6-Apr-17	7-Apr-16	
1	LT borrowing programme FY2021	70,000	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-	-	-
2	ST borrowing programme FY2021	20,000	-	[ICRA]A1+	-	-	-	-	-	-	-	-	-	-	-
3	LT borrowing programme FY2020	88,000	38,887*	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-
4	ST borrowing programme FY2020	12,000	2,961~	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-	-	-	-	-	-	-	-
5	ST borrowing programme FY2019	-	-	[ICRA]A1+ Withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-
6	LT/ST borrowing programmes from earlier years	2,02,125.72	2,02,125.72*	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	
7	LT/ST borrowing programmes from earlier years	-	-	[ICRA]AAA (Stable)/ [ICRA]A1+ Withdrawn	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	

Note: LT: Long term, ST: Short term; Long-term/short-term borrowing programmes include bonds, commercial papers, bank lines and other instruments; & Under Rating Watch with Developing Implications; * Outstanding as on December 31, 2019; ~ Rs. 2,961-crore CPs were outstanding as on December 31, 2019 (outstanding STs not captured in outstanding)
Source: ICRA research

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE134E08693	NCD	30-Dec-02	8.10%	30-Dec-22	750.0	[ICRA]AAA (Stable)
INE134E08925	NCD	31-May-06	8.85%	31-May-21	600.0	[ICRA]AAA (Stable)
INE134E08BP2	NCD	7-Aug-09	8.60%	7-Aug-24	866.5	[ICRA]AAA (Stable)
INE134E08CN5	NCD	15-Dec-09	8.50%	15-Dec-24	351.0	[ICRA]AAA (Stable)
INE134E08CPO	NCD	15-Jan-10	8.80%	15-Jan-25	1172.6	[ICRA]AAA (Stable)
INE134E08CS4	NCD	15-Mar-10	8.90%	15-Mar-25	184.0	[ICRA]AAA (Stable)
INE134E08CU0	NCD	30-Mar-10	8.95%	30-Mar-20	492.0	[ICRA]AAA (Stable)
INE134E08CV8	NCD	30-Mar-10	8.95%	30-Mar-25	492.0	[ICRA]AAA (Stable)
INE134E08CX4	NCD	14-May-10	8.70%	14-May-20	1337.5	[ICRA]AAA (Stable)
INE134E08CY2	NCD	14-May-10	8.70%	14-May-25	1337.5	[ICRA]AAA (Stable)
INE134E08CZ9	NCD	15-Jun-10	8.65%	15-Jun-20	500.0	[ICRA]AAA (Stable)
INE134E08DA0	NCD	15-Jun-10	8.75%	15-Jun-25	1532.0	[ICRA]AAA (Stable)
INE134E08DB8	NCD	15-Jun-10	8.85%	15-Jun-30	633.0	[ICRA]AAA (Stable)
INE134E08DE2	NCD	4-Aug-10	8.70%	15-Jul-20	1424.0	[ICRA]AAA (Stable)
INE134E08DG7	NCD	15-Nov-10	8.78%	15-Nov-20	1549.0	[ICRA]AAA (Stable)
INE134E08DH5	NCD	15-Dec-10	9.05%	15-Dec-20	192.7	[ICRA]AAA (Stable)
INE134E08DI3	NCD	15-Dec-10	9.05%	15-Dec-25	192.7	[ICRA]AAA (Stable)
INE134E08DJ1	NCD	15-Dec-10	9.05%	15-Dec-30	192.7	[ICRA]AAA (Stable)
INE134E08DL7	NCD	14-Jan-11	8.99%	15-Jan-21	1219.0	[ICRA]AAA (Stable)
INE134E08DM5	NCD	15-Apr-11	9.18%	15-Apr-21	1000.0	[ICRA]AAA (Stable)
INE134E08DN3	NCD	9-Jun-11	9.70%	9-Jun-21	1693.2	[ICRA]AAA (Stable)
INE134E08DQ6	NCD	29-Jun-11	9.61%	29-Jun-21	2084.7	[ICRA]AAA (Stable)
INE134E08DR4	NCD	1-Aug-11	9.36%	1-Aug-21	2589.4	[ICRA]AAA (Stable)
INE134E08DS2	NCD	1-Aug-11	9.46%	1-Aug-26	1105.0	[ICRA]AAA (Stable)
INE134E08DU8	NCD	1-Sep-11	9.45%	1-Sep-26	2568.0	[ICRA]AAA (Stable)
INE134E07117	NCD	15-Oct-11	7.51%	15-Oct-21	205.2	[ICRA]AAA (Stable)
INE134E07125	NCD	15-Oct-11	7.75%	15-Oct-26	218.0	[ICRA]AAA (Stable)
INE134E07133	NCD	25-Nov-11	8.09%	25-Nov-21	334.3	[ICRA]AAA (Stable)
INE134E07141	NCD	25-Nov-11	8.16%	25-Nov-26	209.3	[ICRA]AAA (Stable)
INE134E08EG5	NCD	6-Mar-12	9.30%	15-Apr-20	79.5	[ICRA]AAA (Stable)
INE134E08EH3	NCD	6-Mar-12	9.26%	15-Apr-23	736.0	[ICRA]AAA (Stable)
INE134E08EO9	NCD	28-Mar-12	9.48%	15-Apr-22	184.7	[ICRA]AAA (Stable)
INE134E08EX0	NCD	21-Aug-12	9.29%	21-Aug-22	640.0	[ICRA]AAA (Stable)
INE134E07299	NCD	22-Nov-12	7.21%	22-Nov-22	255.0	[ICRA]AAA (Stable)
INE134E07307	NCD	22-Nov-12	7.38%	22-Nov-27	25.0	[ICRA]AAA (Stable)
INE134E07315	NCD	29-Nov-12	7.22%	29-Nov-22	30.0	[ICRA]AAA (Stable)
INE134E07323	NCD	29-Nov-12	7.38%	29-Nov-27	100.0	[ICRA]AAA (Stable)
INE134E08FJ6	NCD	4-Mar-13	8.84%	4-Mar-23	1310.0	[ICRA]AAA (Stable)
INE134E08FL2	NCD	11-Mar-13	9.00%	11-Mar-28	1370.0	[ICRA]AAA (Stable)
INE134E08FN8	NCD	18-Mar-13	8.90%	18-Mar-23	403.0	[ICRA]AAA (Stable)
INE134E08FO6	NCD	18-Mar-13	8.90%	18-Mar-28	403.0	[ICRA]AAA (Stable)
INE134E08FP3	NCD	18-Mar-13	8.87%	18-Mar-23	70.0	[ICRA]AAA (Stable)
INE134E08FQ1	NCD	25-Mar-13	8.94%	25-Mar-28	2807.0	[ICRA]AAA (Stable)
INE134E08FT5	NCD	14-Jun-13	8.19%	14-Jun-23	800.0	[ICRA]AAA (Stable)
INE134E07372	NCD	30-Aug-13	8.01%	30-Aug-23	113.0	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE134E07380	NCD	30-Aug-13	8.46%	30-Aug-28	1011.1	[ICRA]AAA (Stable)
INE134E08FW9	NCD	13-Jan-14	9.65%	13-Jan-24	1000.0	[ICRA]AAA (Stable)
INE134E07505	NCD	31-Jan-14	9.70%	31-Jan-21	270.0	[ICRA]AAA (Stable)
INE134E08FX7	NCD	21-Feb-14	9.70%	21-Feb-24	2000.0	[ICRA]AAA (Stable)
INE134E08GA3	NCD	7-Jul-14	9.20%	7-Jul-21	700.0	[ICRA]AAA (Stable)
INE134E08GD7	NCD	19-Aug-14	9.37%	19-Aug-24	855.0	[ICRA]AAA (Stable)
INE134E08GG0	NCD	27-Aug-14	9.39%	27-Aug-24	460.0	[ICRA]AAA (Stable)
INE134E08GH8	NCD	27-Aug-14	9.39%	27-Aug-29	460.0	[ICRA]AAA (Stable)
INE134E08GK2	NCD	8-Oct-14	8.98%	8-Oct-24	961.0	[ICRA]AAA (Stable)
INE134E08GLO	NCD	8-Oct-14	8.98%	8-Oct-24	950.0	[ICRA]AAA (Stable)
INE134E08GR7	NCD	28-Nov-14	8.66%	27-Nov-21	200.0	[ICRA]AAA (Stable)
INE134E08GT3	NCD	9-Dec-14	8.55%	9-Dec-21	1200.0	[ICRA]AAA (Stable)
INE134E08GU1	NCD	9-Dec-14	8.48%	9-Dec-24	1000.0	[ICRA]AAA (Stable)
INE134E08GV9	NCD	29-Dec-14	8.65%	28-Dec-24	2826.0	[ICRA]AAA (Stable)
INE134E08GW7	NCD	5-Jan-15	8.65%	4-Jan-25	5000.0	[ICRA]AAA (Stable)
INE134E08GY3	NCD	10-Mar-15	8.20%	10-Mar-25	1600.0	[ICRA]AAA (Stable)
INE134E08HC7	NCD	19-Mar-15	8.42%	18-Apr-20	200.0	[ICRA]AAA (Stable)
INE134E08HD5	NCD	19-Mar-15	8.39%	19-Apr-25	925.0	[ICRA]AAA (Stable)
INE134E08HF0	NCD	27-Mar-15	8.38%	27-Apr-20	1350.0	[ICRA]AAA (Stable)
INE134E08HG8	NCD	27-Mar-15	8.41%	27-Mar-25	5000.0	[ICRA]AAA (Stable)
INE134E07521	NCD	17-Jul-15	7.16%	17-Jul-25	300.0	[ICRA]AAA (Stable)
INE134E08HP9	NCD	24-Jul-15	8.53%	24-Jul-20	2700.0	[ICRA]AAA (Stable)
INE134E08HQ7	NCD	10-Aug-15	8.45%	10-Aug-20	1000.0	[ICRA]AAA (Stable)
INE134E08HV7	NCD	4-Sep-15	8.36%	4-Sep-20	1250.0	[ICRA]AAA (Stable)
INE134E08HW5	NCD	18-Sep-15	8.46%	18-Sep-20	1000.0	[ICRA]AAA (Stable)
INE134E08HX3	NCD	18-Sep-15	8.40%	18-Sep-25	1000.0	[ICRA]AAA (Stable)
INE134E08ID3	NCD	27-Apr-16	8.05%	27-Apr-21	300.0	[ICRA]AAA (Stable)
INE134E08IE1	NCD	2-May-16	8.03%	2-May-26	1000.0	[ICRA]AAA (Stable)
INE134E08IG6	NCD	31-May-16	8.04%	30-May-20	100.0	[ICRA]AAA (Stable)
INE134E08IH4	NCD	16-Aug-16	7.50%	16-Aug-21	2660.0	[ICRA]AAA (Stable)
INE134E08II2	NCD	16-Aug-16	7.63%	14-Aug-26	1675.0	[ICRA]AAA (Stable)
INE134E08IJ0	NCD	16-Sep-16	7.47%	16-Sep-21	2260.0	[ICRA]AAA (Stable)
INE134E08IK8	NCD	16-Sep-16	7.56%	16-Sep-26	210.0	[ICRA]AAA (Stable)
INE134E08IL6	NCD	26-Sep-16	7.55%	25-Sep-26	4000.0	[ICRA]AAA (Stable)
INE134E08IM4	NCD	30-Sep-16	7.40%	30-Sep-21	1830.0	[ICRA]AAA (Stable)
INE134E08IN2	NCD	22-Dec-16	7.27%	22-Dec-21	1101.0	[ICRA]AAA (Stable)
INE134E08IO0	NCD	5-Jan-17	7.23%	5-Jan-27	2635.0	[ICRA]AAA (Stable)
INE134E08IP7	Gol FSB	11-Jan-17	7.10%	11-Jan-27	200.0	[ICRA]AAA (Stable)
INE134E08IQ5	NCD	17-Jan-17	6.83%	15-Apr-20	2000.0	[ICRA]AAA (Stable)
INE134E08IR3	Gol FSB	20-Jan-17	7.18%	20-Jan-27	1335.0	[ICRA]AAA (Stable)
INE134E08IS1	NCD	15-Feb-17	7.05%	15-May-20	2551.0	[ICRA]AAA (Stable)
INE134E08IT9	Gol FSB	20-Feb-17	7.60%	20-Feb-27	1465.0	[ICRA]AAA (Stable)
INE134E08IW3	NCD	17-Mar-17	7.50%	17-Sep-20	2435.0	[ICRA]AAA (Stable)
INE134E08IX1	Gol FSB	22-Mar-17	7.75%	22-Mar-27	2000.0	[ICRA]AAA (Stable)
INE134E08IY9	NCD	27-Mar-17	7.42%	26-Jun-20	3605.0	[ICRA]AAA (Stable)
INE134E08IZ6	NCD	5-May-17	7.46%	5-Jun-20	1180.0	[ICRA]AAA (Stable)
INE134E08JA7	NCD	30-May-17	7.30%	30-Jun-20	1560.0	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE134E08JB5	NCD	12-Jun-17	7.28%	10-Jun-22	1950.0	[ICRA]AAA (Stable)
INE134E08JC3	NCD	12-Jun-17	7.44%	11-Jun-27	1540.0	[ICRA]AAA (Stable)
INE134E08JD1	NCD	8-Aug-17	7.10%	8-Aug-22	3395.0	[ICRA]AAA (Stable)
INE134E08JE9	NCD	8-Aug-17	7.30%	7-Aug-27	1500.0	[ICRA]AAA (Stable)
INE134E08JF6	NCD	22-Nov-17	7.35%	22-Nov-22	800.0	[ICRA]AAA (Stable)
INE134E08JG4	NCD	22-Nov-17	7.65%	22-Nov-27	2001.0	[ICRA]AAA (Stable)
INE134E08JH2	NCD	15-Dec-17	7.62%	15-Dec-27	5000.0	[ICRA]AAA (Stable)
INE134E08JI0	NCD	30-Jan-18	7.74%	29-Jan-28	850.0	[ICRA]AAA (Stable)
INE134E08JJ8	NCD	12-Feb-18	7.73%	12-Mar-21	505.0	[ICRA]AAA (Stable)
INE134E08JK6	NCD	12-Feb-18	7.73%	5-Apr-21	1325.0	[ICRA]AAA (Stable)
INE134E08JM2	NCD	15-Mar-18	7.75%	15-Apr-21	600.0	[ICRA]AAA (Stable)
INE134E08JO8	NCD	20-Mar-18	7.99%	20-Dec-22	1295.0	[ICRA]AAA (Stable)
INE134E08JP5	NCD	3-Apr-18	7.85%	3-Apr-28	3855.0	[ICRA]AAA (Stable)
INE134E08JQ3	NCD	10-Oct-18	8.95%	10-Oct-28	3000.0	[ICRA]AAA (Stable)
INE134E08JR1	NCD	19-Nov-18	8.67%	19-Nov-28	1007.4	[ICRA]AAA (Stable)
INE134E08JS9	NCD	19-Nov-18	8.64%	19-Nov-33	528.4	[ICRA]AAA (Stable)
INE134E08JT7	NCD	22-Feb-19	8.75%	22-Feb-34	2654.0	[ICRA]AAA (Stable)
INE134E08JU5	NCD	11-Mar-19	8.45%	11-Aug-22	2155.0	[ICRA]AAA (Stable)
INE134E08JV3	NCD	14-Mar-19	8.20%	14-Sep-20	3500.0	[ICRA]AAA (Stable)
INE134E08JW1	NCD	19-Mar-19	8.18%	19-Mar-22	3751.2	[ICRA]AAA (Stable)
INE134E08JY7	NCD	25-Mar-19	9.25%	25-Sep-24	2000.0	[ICRA]AAA (Stable)
INE134E08JX9	NCD	25-Mar-19	9.10%	23-Mar-29	2411.5	[ICRA]AAA (Stable)
INE134E08JZ4	NCD	28-Mar-19	8.98%	28-Mar-29	1000.0	[ICRA]AAA (Stable)
INE134E08KA5	NCD	30-Apr-19	8.79%	29-Apr-34	2578.90	[ICRA]AAA (Stable)
INE134E08KB3	NCD	27-May-19	8.20%	27-May-22	1605.00	[ICRA]AAA (Stable)
INE134E08KC1	NCD	27-May-19	8.85%	25-May-29	1982.10	[ICRA]AAA (Stable)
INE134E08KD9	NCD	4-Jun-19	8.10%	4-Jun-24	691.10	[ICRA]AAA (Stable)
INE134E08KE7	NCD	8-Aug-19	8.15%	8-Aug-34	4035.00	[ICRA]AAA (Stable)
INE134E08KF4	NCD	6-Sep-19	8.25%	6-Sep-34	4016.00	[ICRA]AAA (Stable)
INE134E08KG2	NCD	15-Oct-19	7.35%	15-Oct-22	3735.00	[ICRA]AAA (Stable)
INE134E08KH0	NCD	19-Nov-19	7.42%	19-Nov-24	3000.00	[ICRA]AAA (Stable)
INE134E08KI8	NCD	31-Dec-19	7.93%	31-Dec-29	4710.50	[ICRA]AAA (Stable)
INE134E07075	Infra Bonds	31-Mar-11	8.30%	31-Mar-21	50.0	[ICRA]AAA (Stable)
INE134E07083	Infra Bonds	31-Mar-11	8.30%	31-Mar-21	109.1	[ICRA]AAA (Stable)
INE134E07091	Infra Bonds	31-Mar-11	8.50%	31-Mar-26	5.3	[ICRA]AAA (Stable)
INE134E07109	Infra Bonds	31-Mar-11	8.50%	31-Mar-26	19.3	[ICRA]AAA (Stable)
INE134E07158	Infra Bonds	21-Nov-11	8.50%	21-Nov-21	21.9	[ICRA]AAA (Stable)
INE134E07166	Infra Bonds	21-Nov-11	8.50%	21-Nov-21	36.3	[ICRA]AAA (Stable)
INE134E07174	Infra Bonds	21-Nov-11	8.75%	21-Nov-26	2.9	[ICRA]AAA (Stable)
INE134E07182	Infra Bonds	21-Nov-11	8.75%	21-Nov-26	7.8	[ICRA]AAA (Stable)
INE134E07216	Infra Bonds	30-Mar-12	8.43%	30-Mar-22	7.4	[ICRA]AAA (Stable)
INE134E07224	Infra Bonds	30-Mar-12	8.43%	30-Mar-22	15.5	[ICRA]AAA (Stable)
INE134E07232	Infra Bonds	30-Mar-12	8.72%	30-Mar-27	0.9	[ICRA]AAA (Stable)
INE134E07240	Infra Bonds	30-Mar-12	8.72%	30-Mar-27	2.4	[ICRA]AAA (Stable)
INE134E07190	Tax Free Bonds	1-Feb-12	8.20%	1-Feb-22	2752.6	[ICRA]AAA (Stable)
INE134E07208	Tax Free Bonds	1-Feb-12	8.30%	1-Feb-27	1280.6	[ICRA]AAA (Stable)
INE134E07331	Tax Free Bonds	4-Jan-13	7.19%	4-Jan-23	189.6	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE134E07331	Tax Free Bonds	4-Jan-13	7.69%	4-Jan-23	153.2	[ICRA]AAA (Stable)
INE134E07349	Tax Free Bonds	4-Jan-13	7.36%	4-Jan-28	155.2	[ICRA]AAA (Stable)
INE134E07349	Tax Free Bonds	4-Jan-13	7.86%	4-Jan-28	201.8	[ICRA]AAA (Stable)
INE134E07356	Tax Free Bonds	28-Mar-13	6.88%	28-Mar-23	50.9	[ICRA]AAA (Stable)
INE134E07356	Tax Free Bonds	28-Mar-13	7.38%	28-Mar-23	45.2	[ICRA]AAA (Stable)
INE134E07364	Tax Free Bonds	28-Mar-13	7.04%	28-Mar-23	7.8	[ICRA]AAA (Stable)
INE134E07364	Tax Free Bonds	28-Mar-13	7.54%	28-Mar-23	61.4	[ICRA]AAA (Stable)
INE134E07414	Tax Free Bonds	16-Nov-13	8.18%	16-Nov-23	325.1	[ICRA]AAA (Stable)
INE134E07422	Tax Free Bonds	16-Nov-13	8.43%	16-Nov-23	335.5	[ICRA]AAA (Stable)
INE134E07430	Tax Free Bonds	16-Nov-13	8.54%	16-Nov-23	932.7	[ICRA]AAA (Stable)
INE134E07448	Tax Free Bonds	16-Nov-13	8.79%	16-Nov-28	353.3	[ICRA]AAA (Stable)
INE134E07455	Tax Free Bonds	16-Nov-13	8.67%	16-Nov-33	1067.4	[ICRA]AAA (Stable)
INE134E07463	Tax Free Bonds	16-Nov-13	8.92%	16-Nov-33	862.0	[ICRA]AAA (Stable)
INE134E07539	Tax Free Bonds	17-Oct-15	7.11%	17-Oct-25	75.1	[ICRA]AAA (Stable)
INE134E07547	Tax Free Bonds	17-Oct-15	7.36%	17-Oct-25	79.4	[ICRA]AAA (Stable)
INE134E07554	Tax Free Bonds	17-Oct-15	7.27%	17-Oct-30	131.3	[ICRA]AAA (Stable)
INE134E07562	Tax Free Bonds	17-Oct-15	7.52%	17-Oct-30	45.2	[ICRA]AAA (Stable)
INE134E07570	Tax Free Bonds	17-Oct-15	7.35%	17-Oct-35	213.6	[ICRA]AAA (Stable)
INE134E07588	Tax Free Bonds	17-Oct-15	7.60%	17-Oct-35	155.5	[ICRA]AAA (Stable)
INE134E07596	CG Bonds	31-Jul-17	5.25%	31-Jul-20	18.3	[ICRA]AAA (Stable)
INE134E07604	CG Bonds	31-Aug-17	5.25%	31-Aug-20	13.9	[ICRA]AAA (Stable)
INE134E07612	CG Bonds	30-Sep-17	5.25%	30-Sep-20	20.5	[ICRA]AAA (Stable)
INE134E07620	CG Bonds	31-Oct-17	5.25%	31-Oct-20	20.5	[ICRA]AAA (Stable)
INE134E07638	CG Bonds	30-Nov-17	5.25%	30-Nov-20	33.6	[ICRA]AAA (Stable)
INE134E07646	CG Bonds	31-Dec-17	5.25%	31-Dec-20	33.8	[ICRA]AAA (Stable)
INE134E07653	CG Bonds	31-Jan-18	5.25%	31-Jan-21	25.9	[ICRA]AAA (Stable)
INE134E07661	CG Bonds	28-Feb-18	5.25%	28-Feb-21	38.0	[ICRA]AAA (Stable)
INE134E07679	CG Bonds	31-Mar-18	5.25%	31-Mar-21	87.8	[ICRA]AAA (Stable)
INE134E07687	CG Bonds	30-Apr-18	5.75%	30-Apr-23	6.5	[ICRA]AAA (Stable)
INE134E07695	CG Bonds	31-May-18	5.75%	31-May-23	7.0	[ICRA]AAA (Stable)
INE134E07703	CG Bonds	30-Jun-18	5.75%	30-Jun-23	10.1	[ICRA]AAA (Stable)
INE134E07711	CG Bonds	31-Jul-18	5.75%	31-Jul-23	14.3	[ICRA]AAA (Stable)
INE134E07729	CG Bonds	31-Aug-18	5.75%	31-Aug-23	16.0	[ICRA]AAA (Stable)
INE134E07737	CG Bonds	30-Sep-18	5.75%	30-Sep-23	26.0	[ICRA]AAA (Stable)
INE134E07745	CG Bonds	31-Oct-18	5.75%	31-Oct-23	33.0	[ICRA]AAA (Stable)
INE134E07752	CG Bonds	30-Nov-18	5.75%	30-Nov-23	15.1	[ICRA]AAA (Stable)
INE134E07760	CG Bonds	31-Dec-18	5.75%	31-Dec-23	41.1	[ICRA]AAA (Stable)
INE134E07778	CG Bonds	31-Jan-19	5.75%	31-Jan-24	55.1	[ICRA]AAA (Stable)
INE134E07786	CG Bonds	28-Feb-19	5.75%	29-Feb-24	70.6	[ICRA]AAA (Stable)
INE134E07794	CG Bonds	31-Mar-19	5.75%	31-Mar-24	66.7	[ICRA]AAA (Stable)
INE134E07810	CG Bonds	30-Apr-19	5.75%	30-Apr-24	145.38	[ICRA]AAA (Stable)
INE134E07828	CG Bonds	31-May-19	5.75%	31-May-24	48.91	[ICRA]AAA (Stable)
INE134E07836	CG Bonds	30-Jun-19	5.75%	30-Jun-24	72.72	[ICRA]AAA (Stable)
INE134E07844	CG Bonds	31-Jul-19	5.75%	31-Jul-24	81.73	[ICRA]AAA (Stable)
INE134E07851	CG Bonds	31-Aug-19	5.75%	31-Aug-24	117.29	[ICRA]AAA (Stable)
INE134E07869	CG Bonds	30-Sep-19	5.75%	30-Sep-24	105.73	[ICRA]AAA (Stable)
INE134E07877	CG Bonds	31-Oct-19	5.75%	31-Oct-24	102.03	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE134E07885	CG Bonds	30-Nov-19	5.75%	30-Nov-24	92.09	[ICRA]AAA (Stable)
INE134E07893	CG Bonds	31-Dec-19	5.75%	31-Dec-24	89.96	[ICRA]AAA (Stable)
INE134E08B05	NCD	7-Aug-09	8.60%	7-Aug-19	866.5	
INE134E08BT4	NCD	15-Oct-09	8.80%	15-Oct-19	1216.6	
INE134E08CK1	NCD	20-Nov-09	NA	20-Nov-19	925	
INE134E08CM7	NCD	15-Dec-09	8.50%	15-Dec-19	351	
INE134E08EA8	NCD	15-Dec-11	9.70%	15-Dec-18	2060	
INE134E08FE7	NCD	8-Feb-13	8.72%	8-Feb-19	324	
INE134E07489	NCD	31-Jan-14	9.70%	31-Jan-19	270	
INE134E07513	NCD	3-Mar-14	9.69%	2-Mar-19	2240	
INE134E08FZ2	NCD	7-Jul-14	9.15%	7-Jul-19	100	
INE134E08GF2	NCD	27-Aug-14	9.39%	27-Aug-19	460	[ICRA]AAA (Stable)
INE134E08GJ4	NCD	17-Sep-14	9.32%	17-Sep-19	1591	Withdrawn
INE134E08GN6	NCD	21-Oct-14	8.96%	21-Oct-19	1100	
INE134E08GO4	NCD	7-Nov-14	8.76%	7-Nov-19	1000	
INE134E08GQ9	NCD	28-Nov-14	8.65%	28-Nov-19	836	
INE134E08GS5	NCD	9-Dec-14	8.52%	9-Dec-19	1220	
INE134E08HO2	NCD	29-Jun-15	8.50%	29-Jun-19	1500	
INE134E08IA9	NCD	28-Jan-16	8.12%	28-Feb-19	700	
INE134E08IC5	NCD	13-Apr-16	7.85%	15-Apr-19	2928	
INE134E08IF8	NCD	13-May-16	7.95%	13-May-19	1915	
INE134E08JL4	NCD	8-Mar-18	7.80%	7-Jun-19	3300	
NA	Term Loan 1	27-Sep-18	6 Months MCLR+5 bps	27-Sep-23	5500.0	[ICRA]AAA (Stable)
NA	Term Loan 2	5-Oct-18	6 Months MCLR+5 bps	27-Sep-23	500.0	[ICRA]AAA (Stable)
NA	Term Loan 3	19-Dec-19	03 months MCLR+20 bps	19-Dec-24	500.00	[ICRA]AAA (Stable)
NA	Term Loan 4	27-Dec-19	03 months MCLR+20 bps	19-Dec-24	470.00	[ICRA]AAA (Stable)
NA	Term Loan 5	30-Dec-19	03 months MCLR+20 bps	19-Dec-24	1170.00	[ICRA]AAA (Stable)
NA	Term Loan 6	31-Dec-19	03 months MCLR+20 bps	19-Dec-24	262.20	[ICRA]AAA (Stable)
NA	Term Loan 7	24-Aug-18	1 Month MCLR+5 bps	24-May-20	2000.0	[ICRA]AAA (Stable)
NA	Term Loan 8	5-Sep-18	1 Month MCLR+5 bps	5-Jun-20	2000.0	[ICRA]AAA (Stable)
NA	Term Loan 9	4-Mar-19	1 year MCLR	4-Mar-21	700.0	[ICRA]AAA (Stable)
NA	Term Loan 10	19-Jun-19	1 year MCLR	15-Apr-20	100.00	[ICRA]AAA (Stable)
NA	Term Loan 11	19-Jun-19	1 year MCLR	15-Apr-21	100.00	[ICRA]AAA (Stable)
NA	Term Loan 12	19-Jun-19	1 year MCLR	15-Apr-22	600.00	[ICRA]AAA (Stable)
NA	Term Loan 13	19-Jun-19	1 year MCLR	15-Apr-23	600.00	[ICRA]AAA (Stable)
NA	Term Loan 14	19-Jun-19	1 year MCLR	15-Apr-24	600.00	[ICRA]AAA (Stable)
NA	Term Loan 15	19-Jun-18	1 Month MCLR+5 bps	19-Jun-20	1800.0	[ICRA]AAA (Stable)
NA	Term Loan 16	22-Jun-18	1 Month MCLR+5 bps	19-Jun-20	200.0	[ICRA]AAA (Stable)
NA	Term Loan 17	29-Jun-18	1 Month MCLR	29-Jun-20	236.6	[ICRA]AAA (Stable)
NA	Term Loan 18	30-Jun-18	1 Month MCLR	29-Jun-20	1563.4	[ICRA]AAA (Stable)
NA	Term Loan 19	6-Aug-18	1 Month MCLR	29-Jun-20	179.0	[ICRA]AAA (Stable)
NA	Term Loan 20	14-Sep-18	firmed up rate	14-Sep-21	800.0	[ICRA]AAA (Stable)
NA	Term Loan 21	13-Sep-18	1 Month MCLR	13-Sep-20	1500.0	[ICRA]AAA (Stable)
NA	Term Loan 22	28-Dec-18	1 year MCLR	28-Dec-23	500.0	[ICRA]AAA (Stable)
NA	Term Loan 23	16-Jan-19	1 year MCLR	16-Jan-24	500.0	[ICRA]AAA (Stable)
NA	Term Loan 24	20-Feb-19	1 year MCLR	20-Feb-24	1000.0	[ICRA]AAA (Stable)
NA	Term Loan 25	21-Jun-19	1 year MCLR	21-Jun-24	500.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
NA	Term Loan 26	24-Jun-19	1 year MCLR	24-Jun-24	500.00	[ICRA]AAA (Stable)
NA	Term Loan 27	29-Jun-19	1 year MCLR	29-Jun-24	1000.00	[ICRA]AAA (Stable)
NA	Term Loan 28	6-Aug-18	1 Month MCLR	6-Aug-20	821.0	[ICRA]AAA (Stable)
NA	Term Loan 29	23-Aug-18	1 Month MCLR	6-Aug-20	179.0	[ICRA]AAA (Stable)
NA	Term Loan 30	21-Jan-19	1 year MCLR	21-Jan-24	1000.0	[ICRA]AAA (Stable)
NA	Term Loan 31	30-Jan-19	1 year MCLR	21-Jan-24	1000.0	[ICRA]AAA (Stable)
NA	Term Loan 32	2-Mar-19	1 year MCLR	2-Mar-24	500.0	[ICRA]AAA (Stable)
NA	Term Loan 33	2-Mar-19	1 year MCLR	2-Mar-25	500.0	[ICRA]AAA (Stable)
NA	Term Loan 34	23-Aug-18	1 Month MCLR	23-Aug-21	1000.0	[ICRA]AAA (Stable)
NA	Term Loan 35	2-Mar-19	1 Year MCLR	2-Mar-22	200.0	[ICRA]AAA (Stable)
NA	Term Loan 36	30-Sep-19	1 Year MCLR	30-Sep-22	250.00	[ICRA]AAA (Stable)
NA	Term Loan 37	31-Mar-18	1 Month MCLR	30-Sep-20	750.0	[ICRA]AAA (Stable)
NA	Term Loan 38	5-Oct-18	6 Months MCLR	5-Oct-23	750.0	[ICRA]AAA (Stable)
NA	Term Loan 39	24-Dec-18	6 Months MCLR	24-Dec-23	995.0	[ICRA]AAA (Stable)
NA	Term Loan 40	25-Feb-19	1 year MCLR	25-Feb-22	375.0	[ICRA]AAA (Stable)
NA	Term Loan 41	25-Feb-19	1 year MCLR	25-Feb-23	375.0	[ICRA]AAA (Stable)
NA	Term Loan 42	25-Feb-19	1 year MCLR	25-Feb-24	375.0	[ICRA]AAA (Stable)
NA	Term Loan 43	25-Feb-19	1 year MCLR	25-Feb-25	375.0	[ICRA]AAA (Stable)
NA	Term Loan 44	30-Sep-19	1 year MCLR	30-Sep-22	56.25	[ICRA]AAA (Stable)
NA	Term Loan 45	30-Sep-19	1 year MCLR	30-Sep-23	56.25	[ICRA]AAA (Stable)
NA	Term Loan 46	30-Sep-19	1 year MCLR	30-Sep-24	56.25	[ICRA]AAA (Stable)
NA	Term Loan 47	30-Sep-19	1 year MCLR	30-Sep-25	56.25	[ICRA]AAA (Stable)
NA	Term Loan 48	11-Mar-19	1 year MCLR	11-Jun-21	18.8	[ICRA]AAA (Stable)
NA	Term Loan 49	11-Mar-19	1 year MCLR	11-Sep-21	18.8	[ICRA]AAA (Stable)
NA	Term Loan 50	11-Mar-19	1 year MCLR	11-Dec-21	18.8	[ICRA]AAA (Stable)
NA	Term Loan 51	11-Mar-19	1 year MCLR	11-Mar-22	18.8	[ICRA]AAA (Stable)
NA	Term Loan 52	11-Mar-19	1 year MCLR	11-Jun-22	56.3	[ICRA]AAA (Stable)
NA	Term Loan 53	11-Mar-19	1 year MCLR	11-Sep-22	56.3	[ICRA]AAA (Stable)
NA	Term Loan 54	11-Mar-19	1 year MCLR	11-Dec-22	56.3	[ICRA]AAA (Stable)
NA	Term Loan 55	11-Mar-19	1 year MCLR	11-Mar-23	56.3	[ICRA]AAA (Stable)
NA	Term Loan 56	11-Mar-19	1 year MCLR	11-Jun-23	112.5	[ICRA]AAA (Stable)
NA	Term Loan 57	11-Mar-19	1 year MCLR	11-Sep-23	112.5	[ICRA]AAA (Stable)
NA	Term Loan 58	11-Mar-19	1 year MCLR	11-Dec-23	112.5	[ICRA]AAA (Stable)
NA	Term Loan 59	11-Mar-19	1 year MCLR	11-Mar-24	112.5	[ICRA]AAA (Stable)
NA	Term Loan 60	15-Mar-19	03 months MCLR+15 bps	15-Mar-20	200.0	[ICRA]AAA (Stable)
NA	Term Loan 61	15-Mar-19	03 months MCLR+15 bps	15-Mar-21	200.0	[ICRA]AAA (Stable)
NA	Term Loan 62	15-Mar-19	03 months MCLR+15 bps	15-Mar-22	200.0	[ICRA]AAA (Stable)
NA	Term Loan 63	15-Mar-19	03 months MCLR+15 bps	15-Mar-23	200.0	[ICRA]AAA (Stable)
NA	Term Loan 64	15-Mar-19	03 months MCLR+15 bps	15-Mar-24	200.0	[ICRA]AAA (Stable)
NA	Term Loan 65	30-Sep-19	03 months MCLR+15 bps	30-Sep-20	100.00	[ICRA]AAA (Stable)
NA	Term Loan 66	30-Sep-19	03 months MCLR+15 bps	30-Sep-21	100.00	[ICRA]AAA (Stable)
NA	Term Loan 67	30-Sep-19	03 months MCLR+15 bps	30-Sep-22	100.00	[ICRA]AAA (Stable)
NA	Term Loan 68	30-Sep-19	03 months MCLR+15 bps	30-Sep-23	100.00	[ICRA]AAA (Stable)
NA	Term Loan 69	30-Sep-19	03 months MCLR+15 bps	30-Sep-24	100.00	[ICRA]AAA (Stable)
NA	Term Loan 70	29-Jun-19	01 year MCLR	29-Sep-23	150.00	[ICRA]AAA (Stable)
NA	Term Loan 71	29-Jun-19	01 year MCLR	29-Dec-23	150.00	[ICRA]AAA (Stable)
NA	Term Loan 72	29-Jun-19	01 year MCLR	29-Mar-24	150.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
NA	Term Loan 73	29-Jun-19	01 year MCLR	29-Jun-24	150.00	[ICRA]AAA (Stable)
NA	Term Loan 74	29-Jun-19	01 year MCLR	29-Sep-24	150.00	[ICRA]AAA (Stable)
NA	Term Loan 75	29-Jun-19	01 year MCLR	29-Dec-24	150.00	[ICRA]AAA (Stable)
NA	Term Loan 76	29-Jun-19	01 year MCLR	29-Mar-25	150.00	[ICRA]AAA (Stable)
NA	Term Loan 77	29-Jun-19	01 year MCLR	29-Jun-25	150.00	[ICRA]AAA (Stable)
NA	Term Loan 78	29-Jun-19	01 year MCLR	29-Sep-25	150.00	[ICRA]AAA (Stable)
NA	Term Loan 79	29-Jun-19	01 year MCLR	29-Dec-25	150.00	[ICRA]AAA (Stable)
NA	Term Loan 80	29-Jun-19	01 year MCLR	29-Mar-26	150.00	[ICRA]AAA (Stable)
NA	Term Loan 81	29-Jun-19	01 year MCLR	29-Jun-26	150.00	[ICRA]AAA (Stable)
NA	Term Loan 82	19-Jun-19	1 year MCLR	19-Jun-22	1000.00	[ICRA]AAA (Stable)
NA	Term Loan 83	30-Sep-19	1 year MCLR	30-Sep-22	1000.00	[ICRA]AAA (Stable)
NA	Term Loan 84	30-Sep-19		31-Jul-21	100.00	[ICRA]AAA (Stable)
NA	Term Loan 85	30-Sep-19	12 months T-Bill rate + spread of 2.59%	31-Oct-21	100.00	[ICRA]AAA (Stable)
NA	Term Loan 86	30-Sep-19	(Minimum ROI 8.15%)	31-Jan-22	100.00	[ICRA]AAA (Stable)
NA	Term Loan 87	30-Sep-19		30-Apr-22	100.00	[ICRA]AAA (Stable)
NA	Term Loan 88	30-Sep-19		31-Jul-22	100.00	[ICRA]AAA (Stable)
NA	Term Loan 89	27-Dec-18	8.27%	27-Dec-28	7500.0	[ICRA]AAA (Stable)
LT Borrowing Programme FY2020*	NA	NA	NA	NA	49113.36	[ICRA]AAA (Stable)
LT Borrowing Programme FY2021	NA	NA	NA	NA	70,000	[ICRA]AAA (Stable)
ST Borrowing Programme FY2020	NA	NA	NA	7-365 days	12,000	[ICRA]A1+
ST Borrowing Programme FY2021	NA	NA	NA	7-365 days	20,000	[ICRA]A1+

Source: PFC; Note: CG bonds: 54EC bonds or capital gain bonds; *Excluding those placed and captured above

Annexure-2: List of entities considered for consolidation of financials

Company Name	Ownership	Consolidation Approach
Power Finance Corporation Ltd.	Rated Entity	Full Consolidation
REC Limited	Subsidiary	Full Consolidation
PFC Consulting Limited	Subsidiary	Full Consolidation
Power Equity Capital Advisors (Private) Ltd	Subsidiary	Full Consolidation
Energy Efficiently Services Limited	Joint Venture	Proportionate Consolidation
Chattisgarh Surguja Power Limited	Associate	Proportionate Consolidation
Coastal Karnataka Power Limited	Associate	Proportionate Consolidation
Coastal Maharashtra Mega Power Limited	Associate	Proportionate Consolidation
Coastal Tamil Nadu Power Limited	Associate	Proportionate Consolidation
Orissa Integrated Power Limited	Associate	Proportionate Consolidation
Sakhigopal Integrated Power Company Ltd	Associate	Proportionate Consolidation
Ghogarpalli Integrated Power Company Ltd	Associate	Proportionate Consolidation
Tatiya Andhra Mega Power Limited	Associate	Proportionate Consolidation
Deoghar Mega Power Limited	Associate	Proportionate Consolidation
Cheyur Infra Limited	Associate	Proportionate Consolidation

Company Name	Ownership	Consolidation Approach
Odisha Infrapower Limited	Associate	Proportionate Consolidation
Deoghar Infrapower Limited	Associate	Proportionate Consolidation
Bihar Infrapower Limited	Associate	Proportionate Consolidation
Bihar Mega Power Limited	Associate	Proportionate Consolidation
Jharkhand Infrapower Limited	Associate	Proportionate Consolidation

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Rating Rationale
 March 29, 2020 | Mumbai

Power Finance Corporation Limited

'CRISIL AAA/Stable' assigned to Long-term borrowing programme; 'CRISIL A1+' assigned to Short-term borrowing programme

Rating Action

Total Bank Loan Facilities Rated	Rs.10000 Crore
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)
Rs.70000 Crore Long-Term Borrowing Programme@	CRISIL AAA/Stable (Assigned)
Rs.20000 Crore Short Term Borrowing programme@	CRISIL A1+ (Assigned)
Rs.88000 Crore Long-Term Borrowing Programme&	CRISIL AAA/Stable (Reaffirmed)
Rs.80000 Crore Long-Term Borrowing Programme-	CRISIL AAA/Stable (Reaffirmed)
Rs.64000 Crore Long-Term Borrowing Programme*	CRISIL AAA/Stable (Reaffirmed)
Subordinated Non-Convertible Debentures Aggregating Rs.15000 Crore	CRISIL AAA/Stable (Reaffirmed)
Bonds Aggregating Rs.185943.4 Crore#	CRISIL AAA/Stable (Reaffirmed)
Rs.12000 Crore Short-Term Borrowing Programme&	CRISIL A1+ (Reaffirmed)
Rs.17000 Crore Short-Term Borrowing Programme-	CRISIL A1+ (Reaffirmed)
Rs.20000 Crore Short-Term Borrowing Programme*	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank facilities

@Borrowing programme for fiscal 2021 (refers to financial year, April 1 to March 31). The overall limit for the long term borrowing programme and the short-term borrowing programme is Rs 60,000 crore. The long-term borrowing programme includes tax-free bonds under Section 10 of the Income Tax Act. Total incremental long-term bank borrowing and short-term borrowings not to exceed Rs.70000 crore and Rs 20,000 crore, respectively, at any point in time during fiscal 2021.

&Borrowing programme for 2019-20

-Borrowing programme for 2018-19 (refers to financial year, April 1 to March 31)

*Borrowing programme for 2017-18 refers to financial year, April 1 to March 31).

#Includes Rs 5000 Cr of Extra budgetary resources to be raised by PFC on behalf of Ministry of Power.

Detailed Rationale

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

CRISIL has withdrawn its rating on bonds of Rs 5411.3 crore (See Annexure 'Details of Rating Withdrawal' for details) in line with its withdrawal policy. CRISIL has received independent confirmation that these instruments are fully redeemed.

The ratings on the debt instruments of PFC continue to reflect the company's strategic importance to the GoI given its key role in financing the Indian power sector, and its majority ownership by GoI. The ratings also factor in its strong market position and adequate capitalisation and resource profile. These strengths are partially offset by inherent vulnerability in PFC's asset quality, and significant sectoral and customer concentration.

In March 2019, PFC completed the acquisition of Government of India's 52.6% stake in REC Limited (REC) for 14,500 crores. The acquisition by PFC was funded by cash inflows from the business (~70%) and remaining through debt (~30%). In CRISIL's view, this additional debt did not have a material impact on the gearing of PFC, given its sizeable network. CRISIL believes that both PFC and REC will continue to remain strategically important to GoI and support, if any, required for both entities will be provided by GoI. Both these companies will continue to play their respective policy roles and will remain the nodal agencies for implementing GoI's power sector policies. Further, they are expected to operate all functions independently as they do it currently.

Analytical Approach

For arriving at the ratings, CRISIL has combined the business and financial risk profile of PFC and its subsidiaries including REC Limited. Furthermore, CRISIL factors in support from the majority owner, GoI given its key role in financing the Indian power sector.

Please refer Annexure - Details of Consolidation, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

[^] Strategic Importance to and majority ownership by GoI

The company's high strategic importance to GoI is reflected in the role it plays in implementing government policies, and its importance in financing India's power sector, particularly government sector power utilities (86% of the consolidated loan book as on December 31, 2019). PFC is the nodal agency for the development of Ultra Mega Power Projects (UMPPs) and the Integrated Power Development Scheme (IPDS), and is also the bid process coordinator for the Independent Transmission Projects (ITP) scheme. The company plays a developmental role in channelling finance to meet the power sector's large funding requirement, particularly of PSUs. Further, REC also is the nodal agency for channelling finance towards the rural electrification programme under the Deendayal Upadhyaya Gram Jyoti Yojana (formerly known as Rajiv Gandhi Grameen Vidyalitana Yojana) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana, or 'Saubhagya' scheme and the National Electricity Fund Scheme.

GoI remains the majority shareholder, with a stake of 56% as on December 31, 2019. The government supports the company financially and operationally in various ways, including conferring special status to raise capital gains tax exemption bonds. CRISIL believes that GoI has strong strategic reasons and a moral obligation to support PFC, both on an ongoing basis and in the event of distress, given the latter's role in implementing the government's power sector policies and GoI's majority ownership in the company.

[^] Dominant market position in the power financing segment

PFC plays an important role in the Indian power sector, not only by providing finance but also by implementing GoI's power sector policies. PFC at a consolidated level is the largest lender to the power sector with a share of over 30%, and plays a key role in channelling finance to PSUs. The share of PSUs in the consolidated loan book stood at 86% as on December 31, 2019. Loans outstanding to PSUs on a consolidated basis stood at Rs 5.5 lakh crore as on

December 31, 2019 (Rs 5.08 lakh crore as on March 31, 2019)

^ Adequate capitalisation

As on December 31, 2019, tier-I capital adequacy ratio (CAR) was 14.37%, overall CAR 19.32%, (11.73%, 17.09%, respectively as on March 31, 2019). Capitalisation is expected to remain adequate over the medium term, supported by a demonstrated ability to raise capital through public issues. The net worth to net NPA ratio on a consolidated basis was 2.5 times as on March 31, 2019. Accruals to networth is supported by ability to maintain good interest spreads and a low operating expense ratio. The return on assets ratio was 2.2% and return on equity of 21.3% for fiscal 2019. However, profitability will remain susceptible to increase in credit costs because of weakening in asset quality in the private sector exposures.

^ Adequate resource profile

Borrowing costs are competitive and the resource base, though wholesale, is diversified. The debt instruments have wide market acceptability and borrowing is typically at low spreads over government securities. The cost of borrowing is lower than that of peers, and was 7.3% in fiscal 2019. The consolidated resource profile as on March 31, 2019 mainly comprises of bonds (74%) and term loans (22%), and other borrowings (4%). The company also has access to foreign currency borrowing, which comprised 12% of the total consolidated borrowings as on March 31, 2019 (On a stand-alone basis, foreign currency borrowings formed 10% of the total borrowings as on March 31, 2019). It hedges only a limited portion of its foreign currency borrowing based on its board-approved policy. PFC has also received government approval to raise capital gain bonds under Section 54 EC; which should further support the resource profile.

In fiscal 2017, extra budgetary resources of Rs 5000 crore were raised on behalf of the, GoI. These bonds will be fully serviced by the government through the general budget; hence, a separate government guarantee was not required for issue of these bonds. In its analytical treatment, CRISIL has assumed that PFC will ensure the bonds are serviced on time.

Weakness

*** Inherent vulnerability In asset quality, and significant sectoral and customer concentration**

PFC's asset quality remains inherently vulnerable to the weak credit risk profiles of borrowers. The company caters only to the power sector, with 86% of its advances to government sector power utilities (including generation, transmission, and discoms). PSUs, especially discoms, are an inherently weak asset class because of their poor financial risk profiles. Loans to discoms accounted for 22% of overall advances, including transition lending. Effective execution of various reform measures is extremely critical for PSUs to produce the desired positive impact, and broad-based political consensus is necessary to implement the much-needed tariff increases to ensure sustained improvement in the performance of PSUs. NPAs and restructured assets from the PSU book rose sharply in fiscal 2017 owing to alignment with RBI restructuring norms. However, the downgraded accounts had been paying dues regularly, and a majority of them were upgraded in fiscal 2018. As on December 31, 2019, NPAs (stage III assets as per IND AS) are nil from this portfolio.

PFC (consolidated) also has 14% exposure to private sector power players, which have increasingly become more vulnerable to asset quality risks owing to issues such as lack of fuel availability, inability to pass on fuel price increases, and absence of long-term power purchase agreements for assured power offtake. PFC on a consolidated basis reported gross NPAs (stage III assets as per IND-AS) of 7.4% as on December 31, 2019 (8.4% as on March 31, 2019). While government sector NPAs declined over previous years, the share of NPAs from private sector has increased considerably. As on December 31, 2019, 52% of private sectors loans have been recognized as stage III assets on which the company has a provision coverage of 52% on a consolidated basis.

Ratings



Liquidity Superior

Asset Liability Maturity (ALM) profile of PFC shows that liquidity position is superior. The mismatches in the ALM buckets up to one year given the relatively long tenure of its assets are managed mainly through unutilized bank lines. Additionally, the debt repayments are well staggered across months, supporting its liquidity profile.

As on December 31, 2019, against the total expected outflow of Rs 21,160 crore maturing till March 31, 2020. PFC had unutilized bank lines of around Rs 5,300 crore as on the same date. PFC continues to tap debt capital markets for fresh issuances. Around Rs 8,854 crore and Rs 27,157 crore were raised as CP and MCDs, respectively, in the period from April 1, 2019 to December 31, 2019. PFC also raised term loans of Rs 11,677 crore and foreign currency borrowings of Rs 16,101 crore over the same period. Further, the liquidity is supported by expected inflows of Rs 20703 crore in the next 3 months.

Outlook: Stable

CRISIL believes Govt will retain its majority stake in PFC, which will continue to play a critical role in implementing government policies related to financing the Indian power sector, over the medium term. The company is also likely to retain its strong position in the infrastructure-financing segment, while maintaining healthy capitalization.

Rating Sensitivity Factors

Downward Factors

- * Decline in Govt shareholding below 50% and/or diminution of support extended to the institution by Govt
- * Significant deterioration in asset quality, thereby impacting profitability and capitalization.

About the Company

PFC was established in 1986 by Govt as an institution dedicated to funding and developing the power sector in India. Until 1996, it lent exclusively to public sector entities. Since then, it has expanded its customer profile to include private sector power utilities and projects. PFC aims to promote balanced and integrated development of the power sector by providing finance to low-cost, efficient, and reliable projects.

On a consolidated basis, PFC reported a profit after tax (PAT) of Rs 12640 crore and total income (net of interest) of Rs 19536 crore in fiscal 2019 (Rs 8797 crore and 18357 crore, respectively in the previous fiscal). On a standalone basis, PFC reported PAT of Rs 6953 crore and total income (net of interest) of Rs 10741 crore in fiscal 2019 as against Rs 5855 crore and Rs 8718 crore, respectively in the previous fiscal.

For the nine month ended December 31, 2019, PFC reported a consolidated PAT of Rs 8784 crore on a total income (net of interest expense) of Rs 15668 crore as against a PAT of Rs 9249 crore on a total income (net of interest expense) of Rs 14288 crore for the corresponding period of the previous fiscal. On a standalone basis, PFC reported a PAT of Rs 4220 crore on a total income (net of interest expense) of Rs 7517 crore as against a PAT of Rs 4835 crore on a total income (net of interest expense) of Rs 7062 crore for the corresponding period of the previous fiscal.

Key Financial Indicators - PFC Consolidated

As on/for the period ended March 31,	Unit	2019	2018
Total Assets	Rs. Cr.	628994	522531
Total Income (net of Interest expenses)	Rs. Cr.	19536	18357
Profit after tax	Rs. Cr.	12640	8797
Gross NPA	%	8.4	8.5
Overall capital adequacy ratio	%	17.1	20.0

Any other information: Not applicable

Ratings



Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Ratings



Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Issue	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Rating
INE134E08KA5	Institutional bonds	30-Apr-19	8.79%	29-Apr-34	2,578.9	
INE134E08JH0	Institutional bonds	20-Mar-18	7.53%	20-Jan-20	1,500.00	
INE134E07810	Institutional bonds	30-Apr-19	5.75%	30-Apr-24	48.9	
INE134E08KB3	Institutional bonds	27-May-19	8.20%	27-May-22	1,605.0	
INE134E08KC1	Institutional bonds	27-May-19	8.85%	25-May-29	1,982.1	
INE134E07828	Institutional bonds	31-May-19	5.75%	31-May-24	72.7	
INE134E08KD9	Institutional bonds	04-Jan-19	8.10%	04-Jan-24	691.1	
INE134E07836	Institutional bonds	30-Jan-19	5.75%	30-Jan-24	81.7	
INE134E07844	Institutional bonds	31-Jul-19	5.75%	31-Jul-24	117.3	
INE134E08KE7	Institutional bonds	08-Aug-19	8.15%	08-Aug-34	4,035.0	
INE134E07851	Institutional bonds	31-Aug-19	5.75%	31-Aug-24	105.7	
INE134E08KF4	Institutional bonds	06-Sep-19	8.25%	06-Sep-34	4,016.0	
INE134E07869	Institutional bonds	30-Sep-19	5.75%	30-Sep-24	102.0	
INE134E08KG2	Institutional bonds	15-Oct-19	7.35%	15-Oct-22	3,735.0	
INE134E07877	Institutional bonds	31-Oct-19	5.75%	31-Oct-24	92.1	
INE134E08KH0	Institutional bonds	19-Nov-19	7.42%	19-Nov-24	3,000.0	
INE134E07885	Institutional bonds	30-Nov-19	5.75%	30-Nov-24	90.0	
INE134E08KB8	Institutional bonds	31-Dec-19	7.93%	31-Dec-29	4,710.5	
INE134E07893	Institutional bonds	31-Dec-19	5.75%	31-Dec-24	93.1	
INE134E08KJ6	Institutional bonds	07-Jan-20	7.04%	14-Apr-23	1,400.0	
INE134E08KK4	Institutional bonds	14-Jan-20	7.86%	12-Apr-30	1,100.0	
INE134E07901	Capital Gains Bond	31-Jan-20	5.75%	31-Jan-25	94.0	
INE134E08KL2	Institutional bonds	25-Feb-20	7.41%	25-Feb-30	2,500.0	
INE134E08KM0	Institutional bonds	02-Mar-20	7.41%	15-May-30	5,000.0	
NA	Term Loan	19-Dec-19	8.19%	19-Dec-24	500.0	
NA	Term Loan	27-Dec-19	8.19%	19-Dec-24	470.0	
NA	Term Loan	30-Dec-19	8.19%	19-Dec-24	1,170.0	
NA	Term Loan	31-Dec-19	8.19%	19-Dec-24	262.2	
NA	Term Loan	01-Jan-20	8.19%	19-Dec-24	167.8	
NA	Term Loan	02-Jan-20	8.19%	19-Dec-24	430.0	
NA	Term Loan	19-Jan-19	7.82%	15-Apr-20	100.0	
NA	Term Loan	19-Jan-19	7.82%	15-Apr-21	100.0	
NA	Term Loan	19-Jan-19	7.82%	15-Apr-22	600.0	
NA	Term Loan	19-Jan-19	7.82%	15-Apr-23	600.0	
NA	Term Loan	19-Jan-19	7.82%	15-Apr-24	600.0	
NA	Term Loan	21-Jan-19	7.92%	21-Jan-24	500.0	
NA	Term Loan	24-Jan-19	7.92%	24-Jan-24	500.0	
NA	Term Loan	29-Jan-19	7.92%	29-Jan-24	1,000.0	
NA	Term Loan	30-Sep-19	7.87%	30-Sep-22	56.3	
NA	Term Loan	30-Sep-19	7.87%	30-Sep-23	56.3	

Ratings



NA	Term Loan&	30-Sep-19	7.87%	30-Sep-24	56.3	
NA	Term Loan&	30-Sep-19	7.87%	30-Sep-25	56.3	
NA	Term Loan&	30-Sep-19	7.87%	30-Sep-20	100.0	
NA	Term Loan&	30-Sep-19	7.87%	30-Sep-21	100.0	
NA	Term Loan&	30-Sep-19	7.87%	30-Sep-22	100.0	
NA	Term Loan&	30-Sep-19	7.87%	30-Sep-23	100.0	
NA	Term Loan&	30-Sep-19	7.87%	30-Sep-24	100.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Sep-23	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Dec-23	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Mar-24	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Jun-24	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Sep-24	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Dec-24	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Mar-25	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Jun-25	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Sep-25	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Dec-25	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Mar-26	150.0	
NA	Term Loan&	29-Jun-19	8.14%	29-Jun-26	150.0	
NA	Term Loan&	02-Jan-20	8.14%	02-Apr-24	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Jul-24	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Oct-24	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Jan-25	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Apr-25	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Jul-25	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Oct-25	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Jan-26	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Apr-26	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Jul-26	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Oct-26	4.6	
NA	Term Loan&	02-Jan-20	8.14%	02-Jan-27	4.5	
NA	Term Loan&	30-Sep-19	8.46%	31-Jul-21	100.0	
NA	Term Loan&	30-Sep-19	8.46%	31-Oct-21	100.0	
NA	Term Loan&	30-Sep-19	8.46%	31-Jan-22	100.0	
NA	Term Loan&	30-Sep-19	8.46%	30-Apr-22	100.0	
NA	Term Loan&	30-Sep-19	8.46%	31-Jul-22	100.0	
INE134E08JP5	Institutional bonds~	03-Apr-18	7.85%	03-Apr-28	3,855.0	
INE134E07687	Institutional bonds~	30-Apr-18	5.75%	30-Apr-23	6.5	
INE134E07695	Institutional bonds~	31-May-18	5.75%	31-May-23	7.0	
INE134E07703	Institutional bonds~	30-Jun-18	5.75%	30-Jun-23	10.1	
INE134E07711	Institutional bonds~	31-Jul-18	5.75%	31-Jul-23	14.3	
INE134E07729	Institutional bonds~	31-Aug-18	5.75%	31-Aug-23	16.0	
INE134E07737	Institutional bonds~	30-Sep-18	5.75%	30-Sep-23	26.0	
INE134E08JQ3	Institutional bonds~	10-Oct-18	8.95%	10-Oct-28	3,000.0	
INE134E07745	Institutional bonds~	31-Oct-18	5.75%	31-Oct-23	32.9	

Ratings



INE134E08JR1	Institutional bonds~	19-Nov-18	8.67%	18-Nov-28	1,007.4
INE134E08JS9	Institutional bonds~	19-Nov-18	8.64%	19-Nov-33	528.4
INE134E07752	Institutional bonds~	30-Nov-18	5.75%	30-Nov-23	41.1
INE134E07760	Institutional bonds~	31-Dec-18	5.75%	31-Dec-23	55.1
INE134E07778	Institutional bonds~	31-Jan-19	5.75%	31-Jan-24	70.6
INE134E08JT7	Institutional bonds~	22-Feb-19	8.75%	22-Feb-34	2,654.0
INE134E07786	Institutional bonds~	28-Feb-19	5.75%	29-Feb-24	66.7
INE134E08JU5	Institutional bonds~	11-Mar-19	8.45%	11-Aug-22	2,155.0
INE134E08JV3	Institutional bonds~	14-Mar-19	8.20%	14-Sep-20	3,500.0
INE134E08JW1	Institutional bonds~	19-Mar-19	8.18%	19-Mar-22	3,751.2
INE134E08JY7	Institutional bonds~	25-Mar-19	9.25%	25-Sep-24	2,000.0
INE134E08JX9	Institutional bonds~	25-Mar-19	9.10%	23-Mar-29	2,411.5
INE134E08JZ4	Institutional bonds~	28-Mar-19	8.98%	28-Mar-29	1,000.0
INE134E07794	Institutional bonds~	31-Mar-19	5.75%	31-Mar-24	145.4
NA	Term Loan~	08-Jun-18	7.95%	08-Aug-19	2,000.0
NA	Term Loan~	19-Jun-18	7.95%	19-Jun-20	1,800.0
NA	Term Loan~	22-Jun-18	7.95%	19-Jun-20	200.0
NA	Term Loan~	22-Jun-18	8.05%	22-Jul-19	217.2
NA	Term Loan~	25-Jun-18	8.05%	25-Jul-19	782.8
NA	Term Loan~	29-Jun-18	8.05%	29-Jun-20	236.6
NA	Term Loan~	30-Jun-18	8.05%	29-Jun-20	1,563.4
NA	Term Loan~	30-Jun-18	8.05%	30-Jul-19	2,000.0
NA	Term Loan~	06-Aug-18	8.05%	29-Jun-20	179.0
NA	Term Loan~	06-Aug-18	8.05%	06-Aug-20	821.0
NA	Term Loan~	23-Aug-18	8.05%	06-Aug-20	179.0
NA	Term Loan~	23-Aug-18	8.10%	23-Aug-21	1,000.0
NA	Term Loan~	24-Aug-18	8.10%	24-May-20	2,000.0
NA	Term Loan~	05-Sep-18	8.10%	05-Jun-20	2,000.0
NA	Term Loan~	13-Sep-18	8.20%	13-Sep-20	1,500.0
NA	Term Loan~	14-Sep-18	8.38%	14-Sep-21	800.0
NA	Term Loan~	27-Sep-18	8.35%	27-Sep-23	5,500.0
NA	Term Loan~	05-Oct-18	8.35%	27-Sep-23	500.0
NA	Term Loan~	05-Oct-18	8.45%	05-Oct-23	750.0
NA	Term Loan~	24-Dec-18	8.65%	24-Dec-23	1,000.0
NA	Term Loan~	27-Dec-18	8.11%	27-Dec-28	7,500.0
NA	Term Loan~	28-Dec-18	8.70%	28-Dec-23	500.0
NA	Term Loan~	15-Jan-19	7.92%	16-Jan-24	500.0
NA	Term Loan~	21-Jan-19	7.92%	21-Jan-24	1,000.0
NA	Term Loan~	30-Jan-19	7.92%	21-Jan-24	1,000.0
NA	Term Loan~	20-Feb-19	7.92%	20-Feb-24	1,000.0
NA	Term Loan~	25-Feb-19	7.87%	25-Feb-22	375.0
NA	Term Loan~	25-Feb-19	7.87%	25-Feb-23	375.0
NA	Term Loan~	25-Feb-19	7.87%	25-Feb-24	375.0
NA	Term Loan~	25-Feb-19	7.87%	25-Feb-25	375.0

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NA	Term Loan~	02-Mar-19	7.92%	02-Mar-24	500.0	
NA	Term Loan~	02-Mar-19	7.92%	02-Mar-25	500.0	
NA	Term Loan~	04-Mar-19	7.82%	04-Mar-21	700.0	
NA	Term Loan~	11-Mar-19	7.98%	11-Jun-21	18.8	
NA	Term Loan~	11-Mar-19	7.98%	11-Sep-21	18.8	
NA	Term Loan~	11-Mar-19	7.98%	11-Dec-21	18.8	
NA	Term Loan~	11-Mar-19	7.98%	11-Mar-22	18.8	
NA	Term Loan~	11-Mar-19	7.98%	11-Jun-22	56.3	
NA	Term Loan~	11-Mar-19	7.98%	11-Sep-22	56.3	
NA	Term Loan~	11-Mar-19	7.98%	11-Dec-22	56.3	
NA	Term Loan~	11-Mar-19	7.98%	11-Mar-23	56.3	
NA	Term Loan~	11-Mar-19	7.98%	11-Jun-23	112.5	
NA	Term Loan~	11-Mar-19	7.98%	11-Sep-23	112.5	
NA	Term Loan~	11-Mar-19	7.98%	11-Dec-23	112.5	
NA	Term Loan~	11-Mar-19	7.98%	11-Mar-24	112.5	
NA	Term Loan~	15-Mar-19	7.87%	15-Mar-21	200.0	
NA	Term Loan~	15-Mar-19	7.87%	15-Mar-22	200.0	
NA	Term Loan~	15-Mar-19	7.87%	15-Mar-23	200.0	
NA	Term Loan~	15-Mar-19	7.87%	15-Mar-24	200.0	
INE134E08IZ6	Institutional bonds*	05-May-17	7.46%	05-Jun-20	1,180.0	
INE134E08JA7	Institutional bonds*	30-May-17	7.30%	30-Jun-20	1,560.0	
INE134E08JB5	Institutional bonds*	12-Jun-17	7.28%	10-Jun-22	1,950.0	
INE134E08JC3	Institutional bonds*	12-Jun-17	7.44%	11-Jun-27	1,540.0	
INE134E07596	Institutional bonds*	31-Jul-17	5.25%	31-Jul-20	18.3	
INE134E08JD1	Institutional bonds*	08-Aug-17	7.10%	08-Aug-22	3,395.0	
INE134E08JE9	Institutional bonds*	08-Aug-17	7.30%	07-Aug-27	1,500.0	
INE134E07604	Institutional bonds*	31-Aug-17	5.25%	31-Aug-20	13.9	
INE134E07612	Institutional bonds*	30-Sep-17	5.25%	30-Sep-20	20.5	
INE134E07620	Institutional bonds*	31-Oct-17	5.25%	31-Oct-20	20.5	
INE134E08JF6	Institutional bonds*	22-Nov-17	7.35%	22-Nov-22	800.0	
INE134E08JG4	Institutional bonds*	22-Nov-17	7.65%	22-Nov-27	2,001.0	
INE134E07638	Institutional bonds*	30-Nov-17	5.25%	30-Nov-20	33.5	
INE134E08JH2	Institutional bonds*	15-Dec-17	7.62%	15-Dec-27	5,000.0	
INE134E07646	Institutional bonds*	31-Dec-17	5.25%	31-Dec-20	33.8	
INE134E08JI0	Institutional bonds*	30-Jan-18	7.74%	29-Jan-28	850.0	
INE134E07653	Institutional bonds*	31-Jan-18	5.25%	31-Jan-21	25.9	
INE134E08JJ8	Institutional bonds*	12-Feb-18	7.73%	12-Mar-21	505.0	
INE134E08JK6	Institutional bonds*	12-Feb-18	7.73%	05-Apr-21	1,325.0	
INE134E07661	Institutional bonds*	28-Feb-18	5.25%	28-Feb-21	38.0	
INE134E08JM2	Institutional bonds*	15-Mar-18	7.75%	15-Apr-21	600.0	
INE134E08JO8	Institutional bonds*	20-Mar-18	7.99%	20-Dec-22	1,295.0	
INE134E07679	Institutional bonds*	31-Mar-18	5.25%	31-Mar-21	87.8	
NA	Term loan*	19-Mar-18	7.85%	19-Apr-19	1,000.0	
NA	Term loan*	31-Mar-18	7.85%	19-Apr-19	2,000.0	
INE134E08FT5	Subordinated debt issue	14-Jun-13	8.19%	14-Jun-23	800.0	

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INE134E08FW9	Subordinated debt issue	13-Jan-14	9.65%	13-Jan-24	1,000.0
INE134E08FX7	Subordinated debt issue	21-Feb-14	9.70%	21-Feb-24	2,000.0
INE134E08693	Institutional bonds	30-Dec-02	8.10%	30-Dec-22	750.0
INE134E08925	Institutional bonds	31-May-06	8.85%	31-May-21	600.0
INE134E08BP2	Institutional bonds	07-Aug-09	8.60%	07-Aug-24	866.5
INE134E08CN5	Institutional bonds	15-Dec-09	8.50%	15-Dec-24	351.0
INE134E08CP0	Institutional bonds	15-Jan-10	8.80%	15-Jan-25	1,172.6
INE134E08CS4	Institutional bonds	15-Mar-10	8.90%	15-Mar-25	184.0
INE134E08CV8	Institutional bonds	30-Mar-10	8.95%	30-Mar-25	492.0
INE134E08CU0	Institutional bonds	30-Mar-10	8.95%	30-Mar-20	492.0
INE134E08CY2	Institutional bonds	14-May-10	8.70%	14-May-25	1,337.5
INE134E08CX4	Institutional bonds	14-May-10	8.70%	14-May-20	1,337.5
INE134E08DB8	Institutional bonds	15-Jun-10	8.85%	15-Jun-30	633.0
INE134E08DA0	Institutional bonds	15-Jun-10	8.75%	15-Jun-25	1,532.0
INE134E08CZ9	Institutional bonds	15-Jun-10	8.65%	15-Jun-20	500.0
INE134E08DE2	Institutional bonds	04-Aug-10	8.70%	15-Jul-20	1,424.0
INE134E08DG7	Institutional bonds	15-Nov-10	8.78%	15-Nov-20	1,549.0
INE134E08DJ1	Institutional bonds	15-Dec-10	9.05%	15-Dec-30	192.7
INE134E08DI3	Institutional bonds	15-Dec-10	9.05%	15-Dec-25	192.7
INE134E08DH5	Institutional bonds	15-Dec-10	9.05%	15-Dec-20	192.7
INE134E08DL7	Institutional bonds	14-Jan-11	8.99%	15-Jan-21	1,219.0
INE134E07075	Institutional bonds	31-Mar-11	8.30%	31-03-2021	50.0
INE134E07083	Institutional bonds	31-Mar-11	8.30%	31-03-2021	109.1
INE134E07091	Institutional bonds	31-Mar-11	8.50%	31-03-2026	5.3
INE134E07109	Institutional bonds	31-Mar-11	8.50%	31-03-2026	19.3
INE134E08DM5	Institutional bonds	15-Apr-11	9.18%	15-Apr-21	1,000.0
INE134E08DN3	Institutional bonds	09-Jun-11	9.70%	09-Jun-21	1,693.2
INE134E08DQ6	Institutional bonds	29-Jun-11	9.61%	29-Jun-21	2,084.7
INE134E08DS2	Institutional bonds	01-Aug-11	9.46%	01-Aug-26	1,105.0
INE134E08DR4	Institutional bonds	01-Aug-11	9.36%	01-Aug-21	2,589.4
INE134E08DU8	Institutional bonds	01-Sep-11	9.45%	01-Sep-26	2,568.0
INE134E08DW4	Institutional bonds	23-Sep-11	9.44%	23-Sep-21	1,180.0
INE134E07125	Institutional bonds	15-Oct-11	7.75%	15-Oct-26	218.0
INE134E07117	Institutional bonds	15-Oct-11	7.51%	15-Oct-21	205.2
INE134E07158	Institutional bonds	21-Nov-11	8.50%	21-Nov-21	21.8
INE134E07166	Institutional bonds	21-Nov-11	8.50%	21-Nov-21	36.3
INE134E07174	Institutional bonds	21-Nov-11	8.75%	21-Nov-26	2.9
INE134E07182	Institutional bonds	21-Nov-11	8.75%	21-Nov-26	7.8
INE134E07141	Institutional bonds	25-Nov-11	8.16%	25-Nov-26	209.3
INE134E07133	Institutional bonds	25-Nov-11	8.09%	25-Nov-21	334.3
INE134E07190	Tax Free Bonds	01-Feb-12	8.20%	01-Feb-22	2,752.5
INE134E07208	Tax Free Bonds	01-Feb-12	8.30%	01-Feb-27	1,280.6
INE134E08EH3	Institutional bonds	06-Mar-12	9.26%	15-Apr-23	736.0

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INE134E08EG5	Institutional bonds	06-Mar-12	9.30%	15-Apr-20	79.5	
INE134E08EO9	Institutional bonds	28-Mar-12	9.48%	15-Apr-22	184.7	
INE134E07216	Institutional bonds	30-Mar-12	8.43%	30-Mar-22	7.4	
INE134E07224	Institutional bonds	30-Mar-12	8.43%	30-Mar-22	15.5	
INE134E07232	Institutional bonds	30-Mar-12	8.72%	30-Mar-27	0.9	
INE134E07240	Institutional bonds	30-Mar-12	8.72%	30-Mar-27	2.4	
INE134E08EU6	Institutional bonds	29-Jun-12	9.39%	29-Jun-22	2,695.2	
INE134E08EX0	Institutional bonds	21-Aug-12	9.29%	21-Aug-22	640.0	
INE134E07307	Institutional bonds	22-Nov-12	7.38%	22-Nov-27	25.0	
INE134E07299	Institutional bonds	22-Nov-12	7.21%	22-Nov-22	255.0	
INE134E07323	Institutional bonds	29-Nov-12	7.38%	29-Nov-27	100.0	
INE134E07315	Institutional bonds	29-Nov-12	7.22%	29-Nov-22	30.0	
INE134E07331	Tax Free Bonds	04-Jan-13	7.19%	04-Jan-23	185.9	
INE134E07331	Tax Free Bonds	04-Jan-13	7.69%	04-Jan-23	156.9	
INE134E07349	Tax Free Bonds	04-Jan-13	7.36%	04-Jan-28	150.1	
INE134E07349	Tax Free Bonds	04-Jan-13	7.86%	04-Jan-28	206.9	
INE134E08FJ6	Institutional bonds	04-Mar-13	8.84%	04-Mar-23	1,310.0	
INE134E08FI8	Institutional bonds	04-Mar-13	8.86%	04-Mar-20	54.3	
INE134E08FL2	Institutional bonds	11-Mar-13	9.00%	11-Mar-28	1,370.0	
INE134E08FO6	Institutional bonds	18-Mar-13	8.90%	18-Mar-28	403.0	
INE134E08FN8	Institutional bonds	18-Mar-13	8.90%	18-Mar-23	403.0	
INE134E08FP3	Institutional bonds	18-Mar-13	8.87%	18-Mar-23	70.0	
INE134E08FQ1	Institutional bonds	25-Mar-13	8.94%	25-Mar-28	2,807.0	
INE134E07356	Tax Free Bonds	28-Mar-13	6.88%	28-Mar-23	50.1	
INE134E07356	Tax Free Bonds	28-Mar-13	7.38%	28-Mar-23	46.0	
INE134E07364	Tax Free Bonds	28-Mar-13	7.04%	28-Mar-28	6.1	
INE134E07364	Tax Free Bonds	28-Mar-13	7.54%	28-Mar-28	63.1	
INE134E08FT5	Institutional bonds	14-Jun-13	8.19%	14-Jun-23	800.0	
INE134E07380	Institutional bonds	30-Aug-13	8.46%	30-Aug-28	1,011.1	
INE134E07372	Institutional bonds	30-Aug-13	8.01%	30-Aug-23	113.0	
INE134E07414	Tax Free Bonds	16-Nov-13	8.18%	16-Nov-23	325.1	
INE134E07422	Tax Free Bonds	16-Nov-13	8.43%	16-Nov-23	335.5	
INE134E07430	Tax Free Bonds	16-Nov-13	8.54%	16-Nov-28	932.7	
INE134E07448	Tax Free Bonds	16-Nov-13	8.79%	16-Nov-28	353.3	
INE134E07455	Tax Free Bonds	16-Nov-13	8.67%	16-Nov-33	1,067.4	
INE134E07463	Tax Free Bonds	16-Nov-13	8.92%	16-Nov-33	862.0	
INE134E08FW9	Institutional bonds	13-Jan-14	9.65%	13-Jan-24	1,000.0	
INE134E07505	Institutional bonds	31-Jan-14	9.70%	31-Jan-21	270.0	
INE134E08FX7	Institutional bonds	21-Feb-14	9.70%	21-Feb-24	2,000.0	
INE134E08GA3	Institutional bonds	07-Jul-14	9.20%	07-Jul-21	700.0	
INE134E08GD7	Institutional bonds	19-Aug-14	9.37%	19-Aug-24	855.0	
INE134E08GH8	Institutional bonds	27-Aug-14	9.39%	27-Aug-29	460.0	
INE134E08GG0	Institutional bonds	27-Aug-14	9.39%	27-Aug-24	460.0	
INE134E08GK2	Institutional bonds	08-Oct-14	8.98%	08-Oct-24	961.0	
INE134E08GL0	Institutional bonds	08-Oct-14	8.98%	08-Oct-24	950.0	

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INE134E08GR7	Institutional bonds	28-Nov-14	8.66%	27-Nov-21	200.0
INE134E08GU1	Institutional bonds	09-Dec-14	8.48%	09-Dec-24	1,000.0
INE134E08GT3	Institutional bonds	09-Dec-14	8.55%	09-Dec-21	1,200.0
INE134E08GV9	Institutional bonds	29-Dec-14	8.65%	28-Dec-24	2,826.0
INE134E08GW7	Institutional bonds	05-Jan-15	8.65%	04-Jan-25	5,000.0
INE134E08GY3	Institutional bonds	10-Mar-15	8.20%	10-Mar-25	1,600.0
INE134E08HD5	Institutional bonds	19-Mar-15	8.39%	19-Apr-25	925.0
INE134E08HC7	Institutional bonds	19-Mar-15	8.42%	18-Apr-20	200.0
INE134E08HG8	Institutional bonds	27-Mar-15	8.41%	27-Mar-25	5,000.0
INE134E08HF0	Institutional bonds	27-Mar-15	8.38%	27-Apr-20	1,350.0
INE134E07521	Institutional bonds	17-Jul-15	7.16%	17-Jul-25	300.0
INE134E08HP9	Institutional bonds	24-Jul-15	8.53%	24-Jul-20	2,700.0
INE134E08HQ7	Institutional bonds	10-Aug-15	8.45%	10-Aug-20	1,000.0
INE134E08HV7	Institutional bonds	04-Sep-15	8.36%	04-Sep-20	1,250.0
INE134E08HX3	Institutional bonds	18-Sep-15	8.40%	18-Sep-25	1,000.0
INE134E08HW5	Institutional bonds	18-Sep-15	8.46%	18-Sep-20	1,000.0
INE134E07539	Tax Free Bonds	17-Oct-15	7.11%	17-Oct-25	75.1
INE134E07547	Tax Free Bonds	17-Oct-15	7.36%	17-Oct-25	79.3
INE134E07554	Tax Free Bonds	17-Oct-15	7.27%	17-Oct-30	131.3
INE134E07562	Tax Free Bonds	17-Oct-15	7.52%	17-Oct-30	45.2
INE134E07570	Tax Free Bonds	17-Oct-15	7.35%	17-Oct-35	213.6
INE134E07588	Tax Free Bonds	17-Oct-15	7.60%	17-Oct-35	155.5
INE134E08ID3	Institutional bonds	27-Apr-16	8.05%	27-Apr-21	300.0
INE134E08IE1	Institutional bonds	02-May-16	8.03%	02-May-26	1,000.0
INE134E08IG6	Institutional bonds	31-May-16	8.04%	30-May-20	100.0
INE134E08II2	Institutional bonds	16-Aug-16	7.63%	14-Aug-26	1,675.0
INE134E08IH4	Institutional bonds	16-Aug-16	7.50%	16-Aug-21	2,660.0
INE134E08IK8	Institutional bonds	16-Sep-16	7.56%	16-Sep-26	210.0
INE134E08IJ0	Institutional bonds	16-Sep-16	7.47%	16-Sep-21	2,260.0
INE134E08IL6	Institutional bonds	26-Sep-16	7.55%	25-Sep-26	4,000.0
INE134E08IM4	Institutional bonds	30-Sep-16	7.40%	30-Sep-21	1,830.0
INE134E08IN2	Institutional bonds	22-Dec-16	7.27%	22-Dec-21	1,101.0
INE134E08IO0	Institutional bonds	05-Jan-17	7.23%	05-Jan-27	2,635.0
INE134E08IQ5	Institutional bonds	17-Jan-17	6.83%	15-Apr-20	2,000.0
INE134E08IS1	Institutional bonds	15-Feb-17	7.05%	15-May-20	2,551.0
INE134E08IT9	Institutional bonds	20-Feb-17	7.60%	20-Feb-27	1,465.0
INE134E08IW3	Institutional bonds	17-Mar-17	7.50%	17-Sep-20	2,435.0
INE134E08IX1	Institutional bonds	22-Mar-17	7.75%	22-Mar-27	2,000.0
INE134E08IY9	Institutional bonds	27-Mar-17	7.42%	26-Jun-20	3,605.0
INE134E07596	Capital Gain Bonds	31-Jul-17	5.25%	31-Jul-20	18.3
INE134E08EL5	Institutional bonds	20-Mar-12	9.42%	20-Mar-20	650.8
NA	Bonds^^	NA	NA	NA	12,515.4
NA	Long Term Borrowing Programme (FY18)*	NA	NA	NA	32,406.8
Na	Short Term Borrowing Programme (FY18)*	NA	NA	NA	20,000.0
NA	Long Term Borrowing Programme (FY19)~^	NA	NA	NA	12,366.6

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NA	Short Term Borrowing Programme (FY19)- [^]	NA	NA	NA	17,000.0
NA	Long Term Borrowing Programme (FY20) ^g [^]	NA	NA	NA	40,669.1
NA	Short Term Borrowing Programme (FY20) ^g [^]	NA	NA	NA	12,000.0
NA	Long Term Borrowing Programme (FY21) ^g [@] [^]	NA	NA	NA	70,000.0
NA	Short Term Borrowing Programme (FY21) ^g [@] [^]	NA	NA	NA	20,000.0
NA	Subordinated debt issue ^{^^}	NA	NA	NA	11,200.0
NA	Cash Credit ^{ff}	NA	NA	NA	10000.0

^{^^}Not yet issued

^g Part of borrowing programme for fiscal 2021

[@] Part of borrowing programme for fiscal 2020

[^] Part of borrowing programme for fiscal 2019

^{ff} Part of borrowing programme for fiscal 2018

#Limit for working capital/working capital demand loan/overdraft facility/cash credit/line of credit/bank guarantee. Limit includes long term total working capital borrowing not to exceed board-approved limit of Rs 10,000 crore. However, quantum of sanctioned working cap from the Board-approved limit for outstanding working capital borrowing.

Annexure - Details of Rating Withdrawn

ISIN	Name of Instrument	Date of Issue	Coupon Rate	Maturity Date
INE134E08CR6	Institutional bonds	15-Mar-10	8.90%	15-Mar-20
INE134E08FB8	Institutional bonds	04-Mar-13	8.86%	04-Mar-20
INE134E08GX5	Institutional bonds	26-Feb-15	8.36%	26-Feb-20
INE134E08FG2	Institutional bonds	20-Feb-13	8.82%	20-Feb-20

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of consolidation	Rating
REC Limited	Full	Stable
PFC Consulting Limited	Full	Stable
Energy Efficiently Services Limited	Proportionate	Joint
Power Equity Capital Advisors (Private) Limited	Full	Stable
Challigani Sargaja Power Limited	Proportionate	Asset
Coastal Karnataka Power Limited	Proportionate	Asset
Coastal Maharashtra Mega Power Limited	Proportionate	Asset
Coastal Tamil Nadu Power Limited	Proportionate	Asset
Orissa Integrated Power Limited	Proportionate	Asset
Saktigopal Integrated Power Company Limited	Proportionate	Asset
Ghogarpalli Integrated Power Company Limited	Proportionate	Asset
Taliya Andhra Mega Power Limited	Proportionate	Asset
Deogarh Mega Power Limited	Proportionate	Asset
Cheyar Intra Limited	Proportionate	Asset
Odisha Inrapower Limited	Proportionate	Asset
Deogarh Inrapower Limited	Proportionate	Asset
Bihar Inrapower Limited	Proportionate	Asset
Bihar Mega Power Limited	Proportionate	Asset
Jharkhand Inrapower Limited	Proportionate	Asset

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Annexure - Rating History for last 3 Years

Instrument	Type	Current		2020 (History)		2019		2018		Do
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	
Bond	LT	23561.00 26-03-20	CRISIL AAA/Stable	19-03-20	CRISIL AAA/Stable	05-11-19	CRISIL AAA/Stable	11-12-18	CRISIL AAA/Stable	18-01
						27-03-19	CRISIL AAA/Stable	04-12-18	CRISIL AAA/Stable	30-01
						19-03-19	CRISIL AAA/Stable	31-10-18	CRISIL AAA/Stable	10-01
						22-02-19	CRISIL AAA/Stable	28-03-18	CRISIL AAA/Stable	03-01
						15-02-19	CRISIL AAA/Stable	27-02-18	CRISIL AAA/Stable	06-01
										07-01
Long-Term Borrowing Programme	LT	3000.00 26-03-20	CRISIL AAA/Stable	19-03-20	CRISIL AAA/Stable	05-11-19	CRISIL AAA/Stable	11-12-18	CRISIL AAA/Stable	18-01
						27-03-19	CRISIL AAA/Stable	04-12-18	CRISIL AAA/Stable	30-01
						19-03-19	CRISIL AAA/Stable	31-10-18	CRISIL AAA/Stable	10-01
						22-02-19	CRISIL AAA/Stable	28-03-18	CRISIL AAA/Stable	03-01
						15-02-19	CRISIL AAA/Stable	27-02-18	CRISIL AAA/Stable	06-01
										07-01
Short Term Borrowing programme	ST	6000.00	CRISIL A+	19-03-20	CRISIL A+	05-11-19	CRISIL A+	11-12-18	CRISIL A+	18-01
						27-03-19	CRISIL A+	04-12-18	CRISIL A+	30-01
						19-03-19	CRISIL A+	31-10-18	CRISIL A+	10-01
						22-02-19	CRISIL A+	28-03-18	CRISIL A+	03-01
						15-02-19	CRISIL A+	27-02-18	CRISIL A+	06-01
										07-01
Subordinated Non-Convertible Debentures	LT	0.00 26-03-20	CRISIL AAA/Stable	19-03-20	CRISIL AAA/Stable	05-11-19	CRISIL AAA/Stable	11-12-18	CRISIL AAA/Stable	18-01
						27-03-19	CRISIL AAA/Stable	04-12-18	CRISIL AAA/Stable	30-01
						19-03-19	CRISIL AAA/Stable	31-10-18	CRISIL AAA/Stable	10-01
						22-02-19	CRISIL AAA/Stable	28-03-18	CRISIL AAA/Stable	03-01
						15-02-19	CRISIL AAA/Stable	27-02-18	CRISIL AAA/Stable	06-01
										07-01
Fund-based Bank Facilities	LIS T	10000.00	CRISIL AAA/Stable	19-03-20	CRISIL AAA/Stable	05-11-19	CRISIL AAA/Stable	11-12-18	CRISIL AAA/Stable	18-01
						27-03-19	CRISIL AAA/Stable	04-12-18	CRISIL AAA/Stable	30-01
						19-03-19	CRISIL AAA/Stable	31-10-18	CRISIL AAA/Stable	10-01
						22-02-19	CRISIL AAA/Stable	28-03-18	CRISIL AAA/Stable	03-01
						15-02-19	CRISIL AAA/Stable	27-02-18	CRISIL AAA/Stable	06-01
										07-01

All amounts are in Rs. Cr

Annexure - Details of various bank facilities

Current facilities			Previous facilities	
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)
Cash Credit*	10000	CRISIL AAA/Stable	Cash Credit*	10000
Total	10000	--	Total	10000

*Limit for working capital/working capital demand loan/overdraft facility/cash credit/line of credit/bank guarantee. Total working capital board-approved limit of Rs. 10,000 crore. However, quantum of sanctioned working capital facilities may be different from the Board-approved working capital borrowing.

Links to related criteria

[CRISILs Bank Loan Ratings - process, scale and default recognition](#)

[Rating Criteria for Banks and Financial Institutions](#)

[CRISILs Criteria for Consolidation](#)

[Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support](#)

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Annexure B

Debenture Trustee Consent Letter



CL/MUM/20-21/BT/115
Date: 23rd October, 2020

To,
Power Finance Corporation Limited
Urjanidhi
1, Barakhamba Lane,
Connaught Place,
New Delhi- 110001, India

Dear Sir(s),

Re: Proposed Public Issue of [Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("NCDs")] aggregating up to Rs.10,000 crores (Rupees Ten Thousand Crores) by Power Finance Corporation Limited ("Company") in one or more tranches from time to time ("Issue")

We, the undersigned, have been appointed by the Issuer as the Debenture Trustee to the Issue in accordance with regulation 4(4) of SEBI (Issue and Listing of Debt Securities), 2008. We hereby consent to act as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed for receiving public comments with the BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and to Securities and Exchange Board of India ("SEBI") and the Shelf Prospectus and Tranche Prospectus(es) to be filed with the Registrar of Companies, National Capital Territory of New Delhi and Haryana ("RoC"), Stock Exchanges and to SEBI in respect of the Issue and also in all related advertisements or subsequent periodical communications or filings pursuant to the Issue. The following details with respect to us may be disclosed:

Name:	Beacon Trusteeship Limited
Address:	4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai – 400 051
Tel:	022-26558759
Fax:	-
E-mail:	compliance@beacontrustee.co.in
Investor Grievance Email ID	investorgrievances@beacontrustee.co.in
Website:	www.beacontrustee.co.in
Contact Person:	Mr. Vitthal Nawandhar
SEBI Registration Number:	IND000000569

Logo



We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We further confirm that no enquiry/investigation is being conducted by SEBI on us.

We hereby authorise you to deliver this letter of consent to the Stock Exchange(s), RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory or statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

BEACON TRUSTEESHIP LIMITED

Regd & Corporate Office : 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club Bandra (E), Mumbai - 400 051.

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

CIN : U74999MH2015PLC271288

We confirm that we will immediately inform you and the lead managers of any change to the above information until the date when the NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by you, the lead managers and the legal advisors to the Issue in respect of the Issue.

Sincerely



For Beacon Trusteeship Limited
Name: Kaustubh Kulkarni
Designation: Executive Director

CC:

Trust Investment Advisors Private Limited
109/110, Balarama,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051,
Maharashtra, India

A. K. Capital Services Limited
30-38, Free Press House,
3rd Floor, Free Press Journal Marg,
215, Nariman Point,
Mumbai, 400 021,
Maharashtra, India.

Edelweiss Financial Services Limited
Edelweiss House, Off. C.S.T Road,
Kalina, Mumbai 400 098,
Maharashtra, India

JM Financial Limited
7th Floor,
Cnergy, Appasabeh Marathe Marg
Prabhadevi,
Mumbai - 400 025
Maharashtra, India

Annexure A

डिबेंचर ट्रस्टी FORM B **DEBENTURE TRUSTEE**

भारतीय प्रतिभूति और विनियम बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA
(डिबेंचर ट्रस्टी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993
DOO 257 (विनियम 4)
(Regulation 4)

प्रारंभिक प्रमाणपत्र INITIAL REGISTRATION
CERTIFICATE OF REGISTRATION

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for, the debenture trustee the Board hereby grants a certificate of registration to

SEACON TRUSTEESHIP LIMITED
3, PRABHAT KUNJ,
PRABHAT COLONY,
SANTACRUZ EAST
Mumbai 400055
Maharashtra India

2) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for, the debenture trustee the Board hereby grants a certificate of registration to

as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.




2) डिबेंचर ट्रस्टी को इस विनियम अनुसार **IND0000000569** है।
2) Registration Code for the debenture trustee is

3) This Certificate of Registration shall be valid from 11/04/2016 to 10/04/2021, unless suspended or cancelled by the Board

भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

MEDHA SONPAROTE
Authorized Signatory

MUMBAI
Date: APRIL 11, 2016



Annexure B

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1. Registration Number	IND000000569
2. Date of registration/ Renewal of registration	April 11, 2016
3. Date of expiry of registration	April 10, 2021
4. If applied for renewal, date of application	Not Applicable
5. Any communication from SEBI prohibiting the entity from acting as an intermediary	NIL
6. Any enquiry/ investigation being conducted by SEBI	NIL
7. Details of any penalty imposed by SEBI	NIL



Annexure C

ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF HOLIDAYS ON PAYMENTS

Investors should note that the below examples are solely for illustrative purposes and is not specific to the Issue.

Set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments.

Face value per Bond (In ₹)	1,000
Deemed Date of Allotment (assumed)	February 4, 2021
Day count convention	Actual / Actual

Series I

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2024
Tenor from Deemed Date of allotment	3 Years
Coupon (per cent.) for Category I & II	4.65%
Coupon (per cent.) for Category III & IV	4.80%
Effective Yield for Category I and II	4.65%
Effective Yield for Category III and IV	4.80%
Frequency of the interest payment with specified dates	First interest on February 4, 2022 and subsequently on the February 4th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in Rs.)	Option 2: For Category III Investors and Category IV Investors (in Rs.)
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Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 4 February, 2022	Friday, 4 February, 2022	365	46.50	48.00
Coupon/Interest Payment 2	Saturday, 4 February, 2023	Monday, 6 February, 2023	365	46.50	48.00
Coupon/Interest Payment 3	Sunday, 4 February, 2024	Friday, 2 February, 2024	363	46.25	47.74
Principal	Sunday, 4 February, 2024	Friday, 2 February, 2024		1000	1000

Series II

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2026
Tenor from Deemed Date of allotment	5 Years
Coupon (per cent.) for Category I & II	5.65%
Coupon (per cent.) for Category III & IV	5.80%
Effective Yield for Category I and II	5.65%
Effective Yield for Category III and IV	5.80%
Frequency of the interest payment with specified dates	First interest on February 4, 2022 and subsequently on the February 4th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in Rs.)	Option 2: For Category III Investors and Category IV Investors (in Rs.)
Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 4 February, 2022	Friday, 4 February, 2022	365	56.50	58.00

Coupon/Interest Payment 2	Saturday, 4 February, 2023	Monday, 6 February, 2023	365	56.50	58.00
Coupon/Interest Payment 3	Sunday, 4 February, 2024	Monday, 5 February, 2024	365	56.50	58.00
Coupon/Interest Payment 4	Tuesday, 4 February, 2025	Tuesday, 4 February, 2025	366	56.50	58.00
Coupon/Interest Payment 5	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026	365	56.50	58.00
Principal	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026		1000	1000

Series III

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2031
Tenor from Deemed Date of allotment	10 Years
Coupon (per cent.) for Category I & II	6.63%
Coupon (per cent.) for Category III & IV	6.82%
Effective Yield for Category I and II	6.79%
Effective Yield for Category III and IV	6.99%
Frequency of the interest payment with specified dates	First interest on May 4, 2021 and subsequently on the 4th day of every quarter and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Tuesday, 4 May, 2021	Tuesday, 4 May, 2021	89	16.17	16.63

Coupon/Interest Payment 2	Wednesday, 4 August, 2021	Wednesday, 4 August, 2021	92	16.71	17.19
Coupon/Interest Payment 3	Thursday, 4 November, 2021	Thursday, 4 November, 2021	92	16.71	17.19
Coupon/Interest Payment 4	Friday, 4 February, 2022	Friday, 4 February, 2022	92	16.71	17.19
Coupon/Interest Payment 5	Wednesday, 4 May, 2022	Wednesday, 4 May, 2022	89	16.17	16.63
Coupon/Interest Payment 6	Thursday, 4 August, 2022	Thursday, 4 August, 2022	92	16.71	17.19
Coupon/Interest Payment 7	Friday, 4 November, 2022	Friday, 4 November, 2022	92	16.71	17.19
Coupon/Interest Payment 8	Saturday, 4 February, 2023	Monday, 6 February, 2023	92	16.71	17.19
Coupon/Interest Payment 9	Thursday, 4 May, 2023	Thursday, 4 May, 2023	89	16.17	16.63
Coupon/Interest Payment 10	Friday, 4 August, 2023	Friday, 4 August, 2023	92	16.71	17.19
Coupon/Interest Payment 11	Saturday, 4 November, 2023	Monday, 6 November, 2023	92	16.71	17.19
Coupon/Interest Payment 12	Sunday, 4 February, 2024	Monday, 5 February, 2024	92	16.71	17.19
Coupon/Interest Payment 13	Saturday, 4 May, 2024	Monday, 6 May, 2024	90	16.30	16.77
Coupon/Interest Payment 14	Sunday, 4 August, 2024	Monday, 5 August, 2024	92	16.67	17.14
Coupon/Interest Payment 15	Monday, 4 November, 2024	Monday, 4 November, 2024	92	16.67	17.14
Coupon/Interest Payment 16	Tuesday, 4 February, 2025	Tuesday, 4 February, 2025	92	16.67	17.14
Coupon/Interest Payment 17	Sunday, 4 May, 2025	Monday, 5 May, 2025	89	16.17	16.63
Coupon/Interest Payment 18	Monday, 4 August, 2025	Monday, 4 August, 2025	92	16.71	17.19
Coupon/Interest Payment 19	Tuesday, 4 November, 2025	Tuesday, 4 November, 2025	92	16.71	17.19

Coupon/Interest Payment 20	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026	92	16.71	17.19
Coupon/Interest Payment 21	Monday, 4 May, 2026	Monday, 4 May, 2026	89	16.17	16.63
Coupon/Interest Payment 22	Tuesday, 4 August, 2026	Tuesday, 4 August, 2026	92	16.71	17.19
Coupon/Interest Payment 23	Wednesday, 4 November, 2026	Wednesday, 4 November, 2026	92	16.71	17.19
Coupon/Interest Payment 24	Thursday, 4 February, 2027	Thursday, 4 February, 2027	92	16.71	17.19
Coupon/Interest Payment 25	Tuesday, 4 May, 2027	Tuesday, 4 May, 2027	89	16.17	16.63
Coupon/Interest Payment 26	Wednesday, 4 August, 2027	Wednesday, 4 August, 2027	92	16.71	17.19
Coupon/Interest Payment 27	Thursday, 4 November, 2027	Thursday, 4 November, 2027	92	16.71	17.19
Coupon/Interest Payment 28	Friday, 4 February, 2028	Friday, 4 February, 2028	92	16.71	17.19
Coupon/Interest Payment 29	Thursday, 4 May, 2028	Thursday, 4 May, 2028	90	16.30	16.77
Coupon/Interest Payment 30	Friday, 4 August, 2028	Friday, 4 August, 2028	92	16.67	17.14
Coupon/Interest Payment 31	Saturday, 4 November, 2028	Monday, 6 November, 2028	92	16.67	17.14
Coupon/Interest Payment 32	Sunday, 4 February, 2029	Monday, 5 February, 2029	92	16.67	17.14
Coupon/Interest Payment 33	Friday, 4 May, 2029	Friday, 4 May, 2029	89	16.17	16.63
Coupon/Interest Payment 34	Saturday, 4 August, 2029	Monday, 6 August, 2029	92	16.71	17.19
Coupon/Interest Payment 35	Sunday, 4 November, 2029	Monday, 5 November, 2029	92	16.71	17.19
Coupon/Interest Payment 36	Monday, 4 February, 2030	Monday, 4 February, 2030	92	16.71	17.19
Coupon/Interest Payment 37	Saturday, 4 May, 2030	Monday, 6 May, 2030	89	16.17	16.63

Coupon/Interest Payment 38	Sunday, 4 August, 2030	Monday, 5 August, 2030	92	16.71	17.19
Coupon/Interest Payment 39	Monday, 4 November, 2030	Monday, 4 November, 2030	92	16.71	17.19
Coupon/Interest Payment 40	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031	92	16.71	17.19
Principal	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031		1000	1000

Series IV

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2031
Tenor from Deemed Date of allotment	10 Years
Coupon (per cent.) for Category I & II	6.80%
Coupon (per cent.) for Category III & IV	7.00%
Effective Yield for Category I and II	6.80%
Effective Yield for Category III and IV	7.00%
Frequency of the interest payment with specified dates	First interest on February 4, 2022 and subsequently on the February 4th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in Rs.)	Option 2: For Category III Investors and Category IV Investors (in Rs.)
Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 4 February, 2022	Friday, 4 February, 2022	365	68.00	70.00

Coupon/Interest Payment 2	Saturday, 4 February, 2023	Monday, 6 February, 2023	365	68.00	70.00
Coupon/Interest Payment 3	Sunday, 4 February, 2024	Monday, 5 February, 2024	365	68.00	70.00
Coupon/Interest Payment 4	Tuesday, 4 February, 2025	Tuesday, 4 February, 2025	366	68.00	70.00
Coupon/Interest Payment 5	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026	365	68.00	70.00
Coupon/Interest Payment 6	Thursday, 4 February, 2027	Thursday, 4 February, 2027	365	68.00	70.00
Coupon/Interest Payment 7	Friday, 4 February, 2028	Friday, 4 February, 2028	365	68.00	70.00
Coupon/Interest Payment 8	Sunday, 4 February, 2029	Monday, 5 February, 2029	366	68.00	70.00
Coupon/Interest Payment 9	Monday, 4 February, 2030	Monday, 4 February, 2030	365	68.00	70.00
Coupon/Interest Payment 10	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031	365	68.00	70.00
Principal	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031		1000	1000

Series V

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2031
Tenor from Deemed Date of allotment	10 Years
Coupon (per cent.) for Category I & II #	6.53%
Coupon (per cent.) for Category III & IV #	6.78%
Effective Yield for Category I and II	6.53%
Effective Yield for Category III and IV	6.78%
Frequency of the interest payment with specified dates	First interest on February 4, 2022 and subsequently on the February 4th of every year and the last interest

	payment will be made at the time of redemption of the NCDs.
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Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in Rs.)	Option 2: For Category III Investors and Category IV Investors (in Rs.)
Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 4 February, 2022	Friday, 4 February, 2022	365	65.30	67.80
Coupon/Interest Payment 2	Saturday, 4 February, 2023	Monday, 6 February, 2023	365	65.30	67.80
Coupon/Interest Payment 3	Sunday, 4 February, 2024	Monday, 5 February, 2024	365	65.30	67.80
Coupon/Interest Payment 4	Tuesday, 4 February, 2025	Tuesday, 4 February, 2025	366	65.30	67.80
Coupon/Interest Payment 5	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026	365	65.30	67.80
Coupon/Interest Payment 6	Thursday, 4 February, 2027	Thursday, 4 February, 2027	365	65.30	67.80
Coupon/Interest Payment 7	Friday, 4 February, 2028	Friday, 4 February, 2028	365	65.30	67.80
Coupon/Interest Payment 8	Sunday, 4 February, 2029	Monday, 5 February, 2029	366	65.30	67.80
Coupon/Interest Payment 9	Monday, 4 February, 2030	Monday, 4 February, 2030	365	65.30	67.80
Coupon/Interest Payment 10	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031	365	65.30	67.80
Principal	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031		1000	1000

For the purpose of 10 Year Floating Rate Bonds, it is assumed that Reference FIMMDA 10Yr Gsec Benchmark for investors does not change throughout the tenor of the NCDs. The cash flows shall change in accordance with change in

Reference FIMMDA 10Yr Gsec Benchmark and subject to floor and cap on floating interest rates.

The effective coupon will be subject to a floor rate of 5.80% and cap rate of 7.30% p.a. for Category I & II.

The effective coupon will be subject to a floor rate of 6.00% and cap rate of 7.50% p.a. for Category III & IV.

Annual Reset with Annualised FIMMDA 10Yr Gsec Benchmark ~ 15 Preceding Calendar Days Average from Pay In & Annual Interest Payment Date.

The Floating Coupon to be rounded upto 2 decimal

Annual Reset with Annualised FIMMDA 10Yr Gsec Benchmark ~ 15 Calendar Days Average from Pay In & Annual Interest Payment Date.

Coupon mentioned in above illustration is for reference purpose only. Actual coupon shall be derived by adding spread of 55 BPS for category I and category II investors and 80 BPS for category III and category IV investors to 15 calendar days annualised FIMMDA 10 Yr Benchmark's average from pay in and allotment date.

Coupon Calculation Reference for Floating Rate Bonds

FIMMDA 10 Year Benchmark

S.No.	Dates	Semi	Annual
1	Sunday, 27 December, 2020	-	-
2	Monday, 28 December, 2020	5.91	5.99
3	Tuesday, 29 December, 2020	5.91	6.00
4	Wednesday, 30 December, 2020	5.89	5.98
5	Thursday, 31 December, 2020	5.89	5.98
6	Friday, 1 January, 2021	5.91	5.99
7	Saturday, 2 January, 2021	-	-
8	Sunday, 3 January, 2021	-	-
9	Monday, 4 January, 2021	5.85	5.94
10	Tuesday, 5 January, 2021	5.85	5.94
11	Wednesday, 6 January, 2021	5.88	5.97
12	Thursday, 7 January, 2021	5.89	5.97
13	Friday, 8 January, 2021	5.91	5.99
14	Saturday, 9 January, 2021	-	-

15	Sunday, 10 January, 2021	-	-
Average		5.89	5.98

Category	FIMMDA Gsec Average (Annual)	Spread in BPS	Coupon
I & II	5.98%	0.55%	6.53%
III & IV	5.98%	0.80%	6.78%

Series VI

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2036
Tenor from Deemed Date of allotment	15 Years
Coupon (per cent.) for Category I & II	6.78%
Coupon (per cent.) for Category III & IV	6.97%
Effective Yield for Category I and II	6.95%
Effective Yield for Category III and IV	7.15%
Frequency of the interest payment with specified dates	First interest on May 4, 2021 and subsequently on the 4th day of every quarter and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Tuesday, 4 May, 2021	Tuesday, 4 May, 2021	89	16.53	17

Coupon/Interest Payment 2	Wednesday, 4 August, 2021	Wednesday, 4 August, 2021	92	17.09	17.57
Coupon/Interest Payment 3	Thursday, 4 November, 2021	Thursday, 4 November, 2021	92	17.09	17.57
Coupon/Interest Payment 4	Friday, 4 February, 2022	Friday, 4 February, 2022	92	17.09	17.57
Coupon/Interest Payment 5	Wednesday, 4 May, 2022	Wednesday, 4 May, 2022	89	16.53	17
Coupon/Interest Payment 6	Thursday, 4 August, 2022	Thursday, 4 August, 2022	92	17.09	17.57
Coupon/Interest Payment 7	Friday, 4 November, 2022	Friday, 4 November, 2022	92	17.09	17.57
Coupon/Interest Payment 8	Saturday, 4 February, 2023	Monday, 6 February, 2023	92	17.09	17.57
Coupon/Interest Payment 9	Thursday, 4 May, 2023	Thursday, 4 May, 2023	89	16.53	17
Coupon/Interest Payment 10	Friday, 4 August, 2023	Friday, 4 August, 2023	92	17.09	17.57
Coupon/Interest Payment 11	Saturday, 4 November, 2023	Monday, 6 November, 2023	92	17.09	17.57
Coupon/Interest Payment 12	Sunday, 4 February, 2024	Monday, 5 February, 2024	92	17.09	17.57
Coupon/Interest Payment 13	Saturday, 4 May, 2024	Monday, 6 May, 2024	90	16.67	17.14
Coupon/Interest Payment 14	Sunday, 4 August, 2024	Monday, 5 August, 2024	92	17.04	17.52
Coupon/Interest Payment 15	Monday, 4 November, 2024	Monday, 4 November, 2024	92	17.04	17.52
Coupon/Interest Payment 16	Tuesday, 4 February, 2025	Tuesday, 4 February, 2025	92	17.04	17.52
Coupon/Interest Payment 17	Sunday, 4 May, 2025	Monday, 5 May, 2025	89	16.53	17
Coupon/Interest Payment 18	Monday, 4 August, 2025	Monday, 4 August, 2025	92	17.09	17.57
Coupon/Interest Payment 19	Tuesday, 4 November, 2025	Tuesday, 4 November, 2025	92	17.09	17.57

Coupon/Interest Payment 20	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026	92	17.09	17.57
Coupon/Interest Payment 21	Monday, 4 May, 2026	Monday, 4 May, 2026	89	16.53	17
Coupon/Interest Payment 22	Tuesday, 4 August, 2026	Tuesday, 4 August, 2026	92	17.09	17.57
Coupon/Interest Payment 23	Wednesday, 4 November, 2026	Wednesday, 4 November, 2026	92	17.09	17.57
Coupon/Interest Payment 24	Thursday, 4 February, 2027	Thursday, 4 February, 2027	92	17.09	17.57
Coupon/Interest Payment 25	Tuesday, 4 May, 2027	Tuesday, 4 May, 2027	89	16.53	17
Coupon/Interest Payment 26	Wednesday, 4 August, 2027	Wednesday, 4 August, 2027	92	17.09	17.57
Coupon/Interest Payment 27	Thursday, 4 November, 2027	Thursday, 4 November, 2027	92	17.09	17.57
Coupon/Interest Payment 28	Friday, 4 February, 2028	Friday, 4 February, 2028	92	17.09	17.57
Coupon/Interest Payment 29	Thursday, 4 May, 2028	Thursday, 4 May, 2028	90	16.67	17.14
Coupon/Interest Payment 30	Friday, 4 August, 2028	Friday, 4 August, 2028	92	17.04	17.52
Coupon/Interest Payment 31	Saturday, 4 November, 2028	Monday, 6 November, 2028	92	17.04	17.52
Coupon/Interest Payment 32	Sunday, 4 February, 2029	Monday, 5 February, 2029	92	17.04	17.52
Coupon/Interest Payment 33	Friday, 4 May, 2029	Friday, 4 May, 2029	89	16.53	17
Coupon/Interest Payment 34	Saturday, 4 August, 2029	Monday, 6 August, 2029	92	17.09	17.57
Coupon/Interest Payment 35	Sunday, 4 November, 2029	Monday, 5 November, 2029	92	17.09	17.57
Coupon/Interest Payment 36	Monday, 4 February, 2030	Monday, 4 February, 2030	92	17.09	17.57
Coupon/Interest Payment 37	Saturday, 4 May, 2030	Monday, 6 May, 2030	89	16.53	17

Coupon/Interest Payment 38	Sunday, 4 August, 2030	Monday, 5 August, 2030	92	17.09	17.57
Coupon/Interest Payment 39	Monday, 4 November, 2030	Monday, 4 November, 2030	92	17.09	17.57
Coupon/Interest Payment 40	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031	92	17.09	17.57
Coupon/Interest Payment 41	Sunday, 4 May, 2031	Monday, 5 May, 2031	89	16.53	17
Coupon/Interest Payment 42	Monday, 4 August, 2031	Monday, 4 August, 2031	92	17.09	17.57
Coupon/Interest Payment 43	Tuesday, 4 November, 2031	Tuesday, 4 November, 2031	92	17.09	17.57
Coupon/Interest Payment 44	Wednesday, 4 February, 2032	Wednesday, 4 February, 2032	92	17.09	17.57
Coupon/Interest Payment 45	Tuesday, 4 May, 2032	Tuesday, 4 May, 2032	90	16.67	17.14
Coupon/Interest Payment 46	Wednesday, 4 August, 2032	Wednesday, 4 August, 2032	92	17.04	17.52
Coupon/Interest Payment 47	Thursday, 4 November, 2032	Thursday, 4 November, 2032	92	17.04	17.52
Coupon/Interest Payment 48	Friday, 4 February, 2033	Friday, 4 February, 2033	92	17.04	17.52
Coupon/Interest Payment 49	Wednesday, 4 May, 2033	Wednesday, 4 May, 2033	89	16.53	17
Coupon/Interest Payment 50	Thursday, 4 August, 2033	Thursday, 4 August, 2033	92	17.09	17.57
Coupon/Interest Payment 51	Friday, 4 November, 2033	Friday, 4 November, 2033	92	17.09	17.57
Coupon/Interest Payment 52	Saturday, 4 February, 2034	Monday, 6 February, 2034	92	17.09	17.57
Coupon/Interest Payment 53	Thursday, 4 May, 2034	Thursday, 4 May, 2034	89	16.53	17
Coupon/Interest Payment 54	Friday, 4 August, 2034	Friday, 4 August, 2034	92	17.09	17.57
Coupon/Interest Payment 55	Saturday, 4 November, 2034	Monday, 6 November, 2034	92	17.09	17.57

Coupon/Interest Payment 56	Sunday, 4 February, 2035	Monday, 5 February, 2035	92	17.09	17.57
Coupon/Interest Payment 57	Friday, 4 May, 2035	Friday, 4 May, 2035	89	16.53	17
Coupon/Interest Payment 58	Saturday, 4 August, 2035	Monday, 6 August, 2035	92	17.09	17.57
Coupon/Interest Payment 59	Sunday, 4 November, 2035	Monday, 5 November, 2035	92	17.09	17.57
Coupon/Interest Payment 60	Monday, 4 February, 2036	Monday, 4 February, 2036	92	17.09	17.57
Principal	Monday, 4 February, 2036	Monday, 4 February, 2036		1000	1000

Series VII

Company	Power Finance Corporation Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	1
Redemption Due Date	February 4, 2036
Tenor from Deemed Date of allotment	15 Years
Coupon (per cent.) for Category I & II	6.95%
Coupon (per cent.) for Category III & IV	7.15%
Effective Yield for Category I and II	6.95%
Effective Yield for Category III and IV	7.15%
Frequency of the interest payment with specified dates	First interest on February 4, 2022 and subsequently on the February 4th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in Rs.)	Option 2: For Category III Investors and Category IV Investors (in Rs.)
Deemed date of allotment	Thursday, 4 February, 2021	Thursday, 4 February, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 4 February, 2022	Friday, 4 February, 2022	365	69.50	71.50
Coupon/Interest Payment 2	Saturday, 4 February, 2023	Monday, 6 February, 2023	365	69.50	71.50
Coupon/Interest Payment 3	Sunday, 4 February, 2024	Monday, 5 February, 2024	365	69.50	71.50
Coupon/Interest Payment 4	Tuesday, 4 February, 2025	Tuesday, 4 February, 2025	366	69.50	71.50
Coupon/Interest Payment 5	Wednesday, 4 February, 2026	Wednesday, 4 February, 2026	365	69.50	71.50
Coupon/Interest Payment 6	Thursday, 4 February, 2027	Thursday, 4 February, 2027	365	69.50	71.50
Coupon/Interest Payment 7	Friday, 4 February, 2028	Friday, 4 February, 2028	365	69.50	71.50
Coupon/Interest Payment 8	Sunday, 4 February, 2029	Monday, 5 February, 2029	366	69.50	71.50
Coupon/Interest Payment 9	Monday, 4 February, 2030	Monday, 4 February, 2030	365	69.50	71.50
Coupon/Interest Payment 10	Tuesday, 4 February, 2031	Tuesday, 4 February, 2031	365	69.50	71.50
Coupon/Interest Payment 11	Wednesday, 4 February, 2032	Wednesday, 4 February, 2032	365	69.50	71.50
Coupon/Interest Payment 12	Friday, 4 February, 2033	Friday, 4 February, 2033	366	69.50	71.50
Coupon/Interest Payment 13	Saturday, 4 February, 2034	Monday, 6 February, 2034	365	69.50	71.50
Coupon/Interest Payment 14	Sunday, 4 February, 2035	Monday, 5 February, 2035	365	69.50	71.50
Coupon/Interest Payment 15	Monday, 4 February, 2036	Monday, 4 February, 2036	365	69.50	71.50

Principal	Monday, 4 February, 2036	Monday, 4 February, 2036		1000	1000
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Assumptions:

1. The Deemed Date of Allotment is assumed to be February 4, 2021. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.
2. Interest payable during the Year 2024 and 2028 being leap year's, have been calculated for 366 days.
3. In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.
4. Saturdays and Sundays are considered holidays in the above calculations.

Note: The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA 'Handbook on market practices'.