

S. No.	Name of the issue: PUBLIC ISSUE BY POWER FINANCE CORPORATION LIMITED OF TAX FREE BONDS OF FACE VALUE OF Rs. 1,000 EACH, IN THE NATURE OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES	Last updated on: May 22, 2012		
1	<b>Type of issue: Public Issue by Power Finance Corporation Limited (“Company” or “Issuer”) of tax free bonds of face value of Rs. 1,000 each, in the nature of secured, redeemable, nonconvertible debentures, having benefits under section 10(15)(iv)(h) of the Income Tax Act, 1961, as amended, (“Bonds”), aggregating Rs. 1,000 crores with an option to retain an oversubscription upto the Shelf Limit (i.e. Rs. 4,033.13 crores)</b>			
2	<b>Issue size (Rs. crore):</b> Rs. 1,000 crores with an option to retain an oversubscription upto the Shelf Limit (i.e. Rs. 4,033.13 crores)			
3	<b>Rating of instrument alongwith name of the rating agency</b>			
	(i) as disclosed in the offer document: 'CRISIL AAA/Stable' by CRISIL as per the credit rating letter dated October 13, 2011 and 'ICRA AAA' by ICRA as per the credit rating letter dated October 21, 2011 (Source: Shelf Prospectus dated December 23, 2011, Prospectus Tranche -1 dated December 23, 2011, CRISIL, ICRA)			
	(ii) at the end of 1st FY: 'CRISIL AAA/Stable' by CRISIL as per the credit rating letter dated March 20, 2012 and 'ICRA AAA' by ICRA as per the credit rating letter dated March 19, 2012 (Source: CRISIL, ICRA)			
	(iii) at the end of 2nd FY: Not Applicable			
	(iv) at the end of 3rd FY: Not Applicable			
4	<b>Whether the security created is adequate to ensure 100% asset cover for the debt securities (See Regulation 26 (6) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008):</b> Yes, as per the Debenture Trustee letter (Source: Debenture Trustee letter dated February 16, 2012)			
5	<b>Subscription level (number of times):</b> The Issue was oversubscribed 10.57 times of the base issue size and 2.62 times of the Issue size (Source: Final Post Issue report dated February 15, 2012)			
6	<b>Financials of the issuer (as per the annual financial results submitted to stock exchanges under Clause 29 of the listing agreement for debt securities)</b>			
	(In Rs. crores)			
	<b>Parameters</b>	<b>1st FY</b>	<b>2nd FY</b>	<b>3rd FY</b>
	Income from operations	12,975.70	Not Applicable	Not Applicable
	Net Profit for the period	3,031.74	Not Applicable	Not Applicable
	Paid-up equity share capital	1,319.93	Not Applicable	Not Applicable
	Reserves excluding revaluation reserves	19,387.58	Not Applicable	Not Applicable
	(Source: Stock exchange filings - Standalone Financials)			
7	<b>Status of the debt securities (whether traded, delisted, suspended by any stock exchange, etc.)</b>			
	(i) at the end of 1st FY: Traded on BSE (Source: <a href="http://bseindia.com/">http://bseindia.com/</a> )			
	(ii) at the end of 2nd FY: Not Applicable			
	(iii) at the end of 3rd FY: Not Applicable			
8	<b>Change, if any, in directors of issuer from the disclosures in the offer document</b>			
	(i) at the end of 1st FY: Nil (Source: Company)			
	(ii) at the end of 2nd FY: Not Applicable			
	(iii) at the end of 3rd FY: Not Applicable			
9	<b>Status of utilization of issue proceeds (as submitted to stock exchanges under Clause 19A of the listing agreement for debt securities)</b>			
	(i) as disclosed in the offer document: The funds raised through this Issue will be utilized towards lending purposes, debt servicing and working capital requirements. Pending utilization of the proceeds out of the Issue, the 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 or inter corporate loans as may be approved by the Board (Source: Prospectus Tranche -1 dated December 23, 2011 Page no. 21)			
	(ii) Actual utilization: The Company will include details on the utilization of the issue proceeds in the annual reports of the Company and other reports issued by the Company to relevant regulatory authorities, as applicable			
	(iii) Reasons for deviation, if any: Not Applicable			
10	<b>Delay or default in payment of interest/ principal amount (See Regulation 23 (5) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and Clause 19 (I) of the listing agreement for debt securities) (Yes/ No) (If yes, further details of the same may be given)</b>			
	(i) Disclosures in the offer document on terms of issue: The Debenture Trustee will protect the interest of the Bondholders in the event of default by PFC in regard to timely payment of interest and repayment of principal and they will take necessary action at PFC's cost (Source: Prospectus Tranche -1 dated December 23, 2011 Page no. 44)			
	(ii) Delay in payment from the due date: Not Applicable			
	(iii) Reasons for delay/ non-payment, if any: Not Applicable			

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**Any other material information:**

(1) Under the PFC ESOP scheme, the Remuneration Committee of Directors on December 23, 2011 has approved grant of 88,040 options to its regular employees through PFC Employee Welfare Trust at a price of Rs. 176.05/- per option exclusive of face value of Rs. 10/- per share (i.e. closing price of the equity shares of the company on July 28, 2011 on NSE, less face value of Rs. 10/- per share) w.e.f. July 29, 2011 convertible into equivalent number of equity shares of Rs. 10/- each  
(2) The Board of Directors of the Company on February 3, 2012 declared 50% interim dividend i.e. Rs. 5/- per equity share for the FY 2011-12 which has been paid in the month of February 2012

(3) Power Finance Corporation Ltd has informed BSE that PFC Consulting Limited (a wholly owned subsidiary of Power Finance Corporation Limited) has transferred on March 29, 2012, its wholly owned Subsidiary namely "Nagapattinam-Madhugiri Transmission Company Limited", incorporated for development of Independent "Transmission System associated with IPPs of Nagapattinam/Cuddalore Area- Package A (Nagapattinam Pooling Station-Salem 765kV D/c line, Salem-Madhugiri 765kv S/c line)" to "Power Grid Corporation of India Limited", successful bidder selected, through "Tariff based Competitive Bidding Guidelines for Transmission services" issued by Ministry of Power, Government of India

(4) The Company has incorporated a Special Purpose Vehicle (SPV), as a wholly-owned subsidiary Company namely Deoghar Mega Power Limited on April 26, 2012 for the development of 2nd Ultra Mega Power Project (UMPP) in the state of Jharkhand

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(5) Power Finance Corporation Ltd has informed BSE that Pursuant to the resolution passed by the shareholders at the Annual General Meeting held on September 21, 2010, the Remuneration Committee of Directors of the Company in its meeting held on April 30, 2012, have approved grant of 92,964 options to regular employees of the Company through PFC Employees Welfare Trust at a price of Rs. 160.75 per option exclusive of face value of Rs. 10/- per Share (i.e. closing price of the equity shares of the Company on April 28, 2012 on National Stock Exchange, less face value of Rs. 10/- per share) w.e.f. April 30, 2012, convertible into equivalent equity shares of Rs. 10/-each. The options will vest after a period of one year w.e.f. April 30, 2012. The vested option shall be exercisable as per the ESOP Policy of PFC within such period but not exceeding 2 years from date of vesting of options. Further, the committee has withheld 10,648 options relating to employees who were on the roll of the Company in the FY 2010-11, but have separated due to retirement, resignation and also employees who are due for retirement before vesting of option or on deputation until a clarification is received from Department of Public Enterprises Ministry Heavy Industries, Govt. of India

(6) The Board of Directors of the Company at its meeting held on May 22, 2012, inter alia, has recommended a final dividend of Rs. 1 per share (face value of Rs. 10/- each), in addition to already declared interim dividend of Rs. 5 per share (face value of Rs. 10/- each), thereby making total dividend of Rs. 6 per share (face value of Rs. 10/- each) for the financial year 2011-12

(Source: Stock exchange filings)