



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



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

No: 1:05:138:II:CS  
Date: 08.02.2024

<b>National Stock Exchange of India Limited,</b> Listing Department, Exchange Plaza, Bandra – Kurla Complex, Bandra (E) <b>MUMBAI – 400 051.</b>  नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड लिस्टिंग विभाग, एक्सचेंज प्लाजा, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (ए), मुंबई-400 051	<b>BSE Limited,</b> Department of Corporate Services, Floor – 25, PJ Towers, Dalal Street, <b>MUMBAI – 400 001.</b>  बीएसई लिमिटेड, कॉर्पोरेट सेवाएं विभाग, मंजिल-25, पी. जे. टावर्स, दलाल स्ट्रीट, मुंबई-400 001
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**SUB: Outcome of Board Meeting- Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Madam/Sir,

In continuation of our earlier communications dt. 29.01.2024 and 05.02.2024, we would like to inform you that, the Board of Directors of Power Finance Corporation Ltd. in its meeting held today i.e. 08.02.2024 have inter alia considered and approved the following:

- 1. Un-audited financial results (Standalone & Consolidated) for the quarter and nine months ended 31.12.2023 and Un-audited interim financial statements (Standalone & Consolidated) for the nine months ended 31.12.2023.**

Pursuant to SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed herewith the unaudited financial results (Standalone & Consolidated) for the quarter and nine months ended 31.12.2023 and unaudited interim financial statements (Standalone & Consolidated) for the nine months ended 31.12.2023 along with the Limited Review Report thereupon by the Statutory Auditors of the Company i.e. Prem Gupta & Company, Chartered Accountants and Chokshi & Chokshi LLP, Chartered Accountants.

- 2. Declaration of second interim dividend @35% Rs 3.50/- (Rupees Three paisa Fifty only) per equity share (subject to deduction of TDS) on the face value of the paid-up equity shares of ₹10/- each for the FY 2023-24.**

Further, it is to inform that 20.02.2024 (Tuesday) shall be reckoned as the 'Record Date' for the purpose of ascertaining the eligibility of shareholders for payment of second Interim Dividend for the FY 2023-24.

The date of payment /dispatch of the aforesaid interim dividend shall be on or before 09.03.2024

It is to further mention that as per provisions of Income tax Act, 1961, dividend income is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS)

*M. K. Agarwal*

at the time of making payment of dividend, at the rates prescribed in the Income Tax Act, 1961. However, in case a shareholder wants that his/her tax should be deducted at lower rates or no tax should be deducted in accordance with Income tax Act, 1961 , then he/she should submit scanned copy of PAN, form 15G/15H & other requisite documents for the financial year 2023-24 at following link. <https://ris.kfintech.com/form15/forms.aspx?q=0>

The Board Meeting commenced at **12 noon** and concluded at 3.00 PM

This is submitted for your information and record.

Thanking you,

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



**(Manish Kumar Agarwal)**  
**Company Secretary & Compliance Officer**  
**mk\_agarwal@pfcindia.com**



**Independent Auditor's Review Report on unaudited standalone financial results for the Quarter & Nine months ended 31<sup>st</sup> December, 2023 of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of  
Power Finance Corporation Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Power Finance Corporation Limited (the "Company") for the quarter & nine months ended 31<sup>st</sup> December, 2023 together with the notes thereon (hereinafter referred to as the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors of the Company, in its meeting held on 8<sup>th</sup> February, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Standalone Financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.





**Prem Gupta & Company**  
Chartered Accountants,  
2342, Faiz Road, Karol Bagh  
New Delhi - 110005

**Chokshi & Chokshi LLP**  
Chartered Accountants,  
23, Rectangle I, District Centre,  
Saket, New Delhi – 110017  
LLP Regn. No. AAC-8909

Other Matters

5. As per past practice, in respect of loan assets and undisbursed letter of comfort, the Company has provided expected credit loss (ECL) as required under Ind AS 109 based on the ECL report submitted by an independent expert appointed by the Company, which *inter-alia* includes assumptions based on technical parameters/certain aspects.
6. The Standalone Unaudited Financial Results of the company for the corresponding quarter & nine months ended 31<sup>st</sup> December, 2022 were reviewed by the Joint Statutory Auditors of the company, one of whom was predecessor audit firm, and they had expressed unmodified conclusion vide their review report dated 13<sup>th</sup> February, 2023 on such financial results.

The Standalone Financial Information of the company for the year ended 31<sup>st</sup> March, 2023 included in this Statement, were audited by the Joint Statutory Auditors of the company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Standalone Financial Statements vide their audit report dated 27<sup>th</sup> May, 2023.

Our conclusion on the statement is not modified in respect of the above matters.

**FOR PREM GUPTA & COMPANY**  
Chartered Accountants  
Firm's Registration No.: 000425N


**CA MEENAKSHI BANSAL**  
Partner  
Membership No. 520318  
UDIN: 24520318BKDFCF1098

**FOR CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
Firm's Registration No.:101872W/W100045


**CA M.K. SARAOGI**  
Partner  
Membership No. 054106  
UDIN: 24054106BKERFO4839

**Place: New Delhi**  
**Date: 8<sup>th</sup> February, 2024**



**Power Finance Corporation Limited**  
 Regd. Office :Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi. Website: <https://www.pfcindia.com>  
 Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months ended 31.12.2023

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Nine Months ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	<b>Revenue from Operations</b>						
(i)	Interest Income	11,331.26	10,692.07	9,566.20	32,147.41	28,028.63	37,645.31
(ii)	Dividend Income	506.40	1,074.95	753.45	1,581.35	1,265.27	1,744.81
(iii)	Fees and Commission Income	14.84	20.31	35.58	50.01	172.96	261.63
<b>I.</b>	<b>Total Revenue from Operations</b>	<b>11,852.50</b>	<b>11,787.33</b>	<b>10,355.23</b>	<b>33,778.77</b>	<b>29,466.86</b>	<b>39,651.75</b>
<b>II.</b>	<b>Other Income</b>	<b>1.83</b>	<b>1.16</b>	<b>9.17</b>	<b>6.23</b>	<b>12.54</b>	<b>13.88</b>
<b>III.</b>	<b>Total Income (I+II)</b>	<b>11,854.33</b>	<b>11,788.49</b>	<b>10,364.40</b>	<b>33,785.00</b>	<b>29,479.40</b>	<b>39,665.63</b>
	<b>Expenses</b>						
(i)	Finance Costs	7,173.51	6,963.14	5,995.50	20,757.34	17,141.86	23,282.57
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	223.13	118.80	263.71	(140.78)	1,684.18	1,975.23
(iii)	Fees and Commission Expense	2.19	6.15	1.73	12.96	7.89	12.06
(iv)	Net Loss / (Gain) on Fair Value changes	(64.41)	(93.97)	434.95	70.84	217.16	(70.56)
(v)	Impairment on Financial Instruments	262.60	(98.88)	(125.56)	165.87	197.99	(296.21)
(vi)	Employee Benefit Expenses	63.66	63.39	61.16	185.11	165.98	219.01
(vii)	Depreciation, Amortisation and Impairment	5.11	3.94	5.01	12.69	13.88	19.06
(viii)	Corporate Social Responsibility Expenses	5.13	2.31	14.71	10.45	81.28	225.30
(ix)	Other Expenses	33.88	38.46	33.64	104.80	79.77	128.55
<b>IV.</b>	<b>Total Expenses</b>	<b>7,704.80</b>	<b>7,003.34</b>	<b>6,684.85</b>	<b>21,179.28</b>	<b>19,589.99</b>	<b>25,495.01</b>
<b>V.</b>	<b>Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>	<b>4,149.53</b>	<b>4,785.15</b>	<b>3,679.55</b>	<b>12,605.72</b>	<b>9,889.41</b>	<b>14,170.62</b>
<b>VI.</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII.</b>	<b>Profit/(Loss) Before Tax (V-VI)</b>	<b>4,149.53</b>	<b>4,785.15</b>	<b>3,679.55</b>	<b>12,605.72</b>	<b>9,889.41</b>	<b>14,170.62</b>
	<b>Tax Expense:</b>						
	(1) Current Tax:						
	- Current Year	749.43	829.52	526.43	2,191.38	1,803.55	2,381.18
	- Earlier Years	-	-	(10.72)	-	(50.94)	(50.94)
	(2) Deferred Tax Expense / (Income)	22.90	108.20	158.91	182.77	23.60	234.91
<b>VIII.</b>	<b>Total Tax Expense</b>	<b>772.33</b>	<b>937.72</b>	<b>674.62</b>	<b>2,374.15</b>	<b>1,776.21</b>	<b>2,565.15</b>
<b>IX.</b>	<b>Profit/(Loss) for the period from Continuing Operations (VII-VIII)</b>	<b>3,377.20</b>	<b>3,847.43</b>	<b>3,004.93</b>	<b>10,231.57</b>	<b>8,113.20</b>	<b>11,605.47</b>
<b>X.</b>	<b>Profit/(Loss) from Discontinued Operations (After Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI.</b>	<b>Profit/(Loss) for the period (from continuing and discontinued operations) (IX+X)</b>	<b>3,377.20</b>	<b>3,847.43</b>	<b>3,004.93</b>	<b>10,231.57</b>	<b>8,113.20</b>	<b>11,605.47</b>
	<b>Other Comprehensive Income</b>						
(A)	(i) Items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	(0.90)	(0.60)	(1.27)	(2.41)	(3.81)	(3.62)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	500.53	345.71	86.13	1,111.02	200.46	145.74
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	0.24	0.15	0.37	0.63	1.05	0.94
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(85.00)	(38.03)	(6.36)	(147.01)	(4.06)	10.16
	<b>Sub-Total (A)</b>	<b>414.87</b>	<b>307.23</b>	<b>78.87</b>	<b>962.23</b>	<b>193.64</b>	<b>153.22</b>
(B)	(i) Items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	(96.82)	(36.70)	125.81	(208.96)	586.07	390.02
	- Cost of Hedging Reserve	103.02	202.10	(120.25)	225.40	(1,329.24)	(808.14)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	24.37	9.23	(31.66)	52.59	(147.50)	(98.16)
	- Cost of Hedging Reserve	(25.93)	(50.86)	30.26	(56.73)	334.54	203.39
	<b>Sub-Total (B)</b>	<b>4.64</b>	<b>123.77</b>	<b>4.16</b>	<b>12.30</b>	<b>(556.13)</b>	<b>(312.89)</b>
<b>XII.</b>	<b>Other Comprehensive Income (A+B)</b>	<b>419.51</b>	<b>431.00</b>	<b>83.03</b>	<b>974.53</b>	<b>(362.49)</b>	<b>(159.67)</b>
<b>XIII.</b>	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>3,796.71</b>	<b>4,278.43</b>	<b>3,087.96</b>	<b>11,206.10</b>	<b>7,750.71</b>	<b>11,445.80</b>
<b>XIV.</b>	<b>Paid up Equity Share Capital (Face Value ₹ 10/- each)</b>	<b>3,300.10</b>	<b>3,300.10</b>	<b>2,640.08</b>	<b>3,300.10</b>	<b>2,640.08</b>	<b>2,640.08</b>
<b>XV.</b>	<b>Other Equity (As per Audited Balance Sheet as at 31st March)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>65,562.15</b>
<b>XVI.</b>	<b>Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:</b>						
	(1) For continuing operations (in ₹)	10.23	11.66	9.11	31.00	24.58	35.17
	(2) For discontinued operations (in ₹)	-	-	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	10.23	11.66	9.11	31.00	24.58	35.17

\* EPS for the Quarters and Nine Months is not annualised. Also, refer Note 3(b).  
 See accompanying Notes to the Standalone Financial Results.






**Notes:-**

<b>1</b>	These unaudited standalone financial results of the Company for the quarter & nine-months ended 31.12.2023 have been reviewed & recommended by the Audit Committee and subsequently approved & taken on record by the Board of Directors of the Company (the Board) in their respective meetings held on 08.02.2024. The joint statutory auditors of the Company for the FY 2023-24, Prem Gupta & Company, Chartered Accountants and Chokshi & Chokshi LLP, Chartered Accountants have conducted limited review of these financial results in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.																																						
<b>2</b>	These unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.																																						
<b>3</b>	<p>a) The Board of Directors of the Company in their meeting held on 08.02.2024 declared second interim dividend @ 35% on the paid up equity share capital i.e. ₹ 3.50 per equity share of ₹ 10 /- each for the FY 2023-24. Further, the Company had earlier paid ₹ 4.50 as first interim dividend for the FY 2023-24.</p> <p>b) Pursuant to the approval of the shareholders in the Annual General Meeting held on 12.09.2023, the company has issued 66,00,20,352 equity shares of ₹ 10/- each as fully paid-up bonus shares in the ratio of one bonus equity share for every four existing fully paid-up equity shares outstanding on the record date i.e. 21.09.2023. As a result of this, the paid-up equity share capital of the Company has increased from ₹ 2,640.08 crore (2,64,00,81,408 equity shares of ₹ 10/- each) to ₹ 3,300.10 crore (3,30,01,01,760 equity shares of ₹ 10/- each).</p> <p>Accordingly, EPS (basic and diluted) has been restated for all comparative periods and presented as per Ind AS-33 - 'Earnings Per Share'.</p>																																						
<b>4</b>	<p>The Company recognises impairment loss allowance on loan assets in accordance with the Board approved Expected Credit Loss (ECL) policy and report provided by independent agency, appointed by the Company for assessment of ECL as per Ind AS 109 'Financial Instruments'. Details in this regard are given below:</p> <p style="text-align: right;">(₹ in crore)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">S. No.</th> <th rowspan="2">Particulars</th> <th colspan="3">As on 31.12.2023</th> <th colspan="3">As on 31.03.2023</th> </tr> <tr> <th>Stage 1 &amp; 2</th> <th>Stage 3</th> <th>Total</th> <th>Stage 1 &amp; 2</th> <th>Stage 3</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td>Loan Outstanding</td> <td>4,40,953.62</td> <td>16,073.22</td> <td>4,57,026.84</td> <td>4,05,996.08</td> <td>16,501.65</td> <td>4,22,497.73</td> </tr> <tr> <td>b)</td> <td>Impairment Loss Allowance maintained*</td> <td>4,246.63</td> <td>11,962.53</td> <td>16,209.16</td> <td>4,076.22</td> <td>11,999.38</td> <td>16,075.60</td> </tr> <tr> <td>c)</td> <td>Impairment Loss Allowance Coverage (%) (b/a)</td> <td>0.96%</td> <td>74.43%</td> <td>3.55%</td> <td>1.00%</td> <td>72.72%</td> <td>3.80%</td> </tr> </tbody> </table> <p>*including impairment loss allowance on Letter of Comfort of ₹ 52.35 crore (as at 31.03.2023 ₹ 50.93 crore).</p>	S. No.	Particulars	As on 31.12.2023			As on 31.03.2023			Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total	a)	Loan Outstanding	4,40,953.62	16,073.22	4,57,026.84	4,05,996.08	16,501.65	4,22,497.73	b)	Impairment Loss Allowance maintained*	4,246.63	11,962.53	16,209.16	4,076.22	11,999.38	16,075.60	c)	Impairment Loss Allowance Coverage (%) (b/a)	0.96%	74.43%	3.55%	1.00%	72.72%	3.80%
S. No.	Particulars			As on 31.12.2023			As on 31.03.2023																																
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total																																
a)	Loan Outstanding	4,40,953.62	16,073.22	4,57,026.84	4,05,996.08	16,501.65	4,22,497.73																																
b)	Impairment Loss Allowance maintained*	4,246.63	11,962.53	16,209.16	4,076.22	11,999.38	16,075.60																																
c)	Impairment Loss Allowance Coverage (%) (b/a)	0.96%	74.43%	3.55%	1.00%	72.72%	3.80%																																
<b>5</b>	As a matter of prudence, income on credit impaired loans is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.																																						



6	Disclosure as per the Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at <b>Annexure A</b> .
7	The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and non-convertible securities of different tenors. During the nine months ended 31.12.2023, the Company has not defaulted in servicing of its borrowings.
8	During the quarter ended 31.12.2023, the amounts raised by the Company from issue of non-convertible securities have been fully utilized and there are no material deviation(s) from the stated objects in the offer document/ information memorandum. Disclosure as per the Regulation 52 (7) & 52 (7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at <b>Annexure B</b> .
9	In compliance of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the secured listed non-convertible debt securities of the Company are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company. The Company has maintained security cover of 1.04 times as per the terms of offer document / information memorandum sufficient to discharge the principal and interest thereon at all times for the secured listed non-convertible debt securities issued. The security cover disclosure in the prescribed format is attached at <b>Annexure C</b> .  Further, security cover maintained by the Company for all secured non-convertible debt securities is 1.03 times.
10	As on December 31, 2023, Company has maintained the required High Quality Liquid Assets (HQLA) in the form of Govt. Securities, Corporate bonds, marketable securities including callable / demand fixed deposits (FD) with scheduled commercial banks. RBI vide its order dated February 6, 2024 has treated callable / demand fixed deposits (FD) with scheduled commercial banks as ineligible security for the purpose of HQLA. The company has informed Stock exchanges (BSE/NSE) about the said order vide its letter dated February 7, 2024.
11	The Company's operations comprise of only one business segment - lending to power, logistics and infrastructure sector. Hence, there is no other reportable business / geographical segment as per Ind AS 108- 'Operating Segments'.
12	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable with the current period.
<p style="text-align: right;">   <b>Parminder Chopra</b>  <b>Chairman &amp; Managing Director</b>  <b>DIN – 08530587</b> </p> <p> <b>Place: New Delhi</b>  <b>Date: 08.02.2024</b> </p>	





Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended 31.12.2023 on standalone basis:

Particulars	As at / For the quarter ended 31.12.2023	As at / For the nine months ended 31.12.2023
(i) Debt to Equity Ratio (times)	5.03	
(ii) Outstanding Redeemable Preference Shares	-	
(iii) Capital redemption reserve/debenture redemption reserve	-	
(iv) Net Worth (₹ in crore)	76,779.91	
(v) Net profit after tax (₹ in crore)	3,377.20	10,231.57
(vi) Earnings per share (Not annualised) (in ₹)		
Basic (₹)	10.23	31.00
Diluted (₹)	10.23	31.00
(vii) Total Debt to Total Assets (times)	0.81	
(viii) Operating Margin (%)	34.99	37.30
(ix) Net Profit Margin (%)	28.49	30.28
(x) Other Sector Specific Ratios		
Gross Credit Impaired Assets Ratio (%)	3.52	
Net Credit Impaired Assets Ratio (%)	0.90	
CRAR (%)	26.86	

Notes:

- 1) Debt to Equity ratio = Net Debt / (Equity Share Capital + Other Equity). Net debt = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
- 2) Net worth = Equity Share Capital + Other Equity.
- 3) Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} / Total assets.
- 4) Operating Margin = (Profit before Tax - Other Income) / Total Revenue from operations.
- 5) Net profit margin = Net profit After Tax/Total Income.
- 6) Gross Credit Impaired Assets Ratio = Gross Credit Impaired Assets /Gross Loan Assets.
- 7) Net Credit Impaired Assets Ratio = Net Credit Impaired Assets /Gross Loan Assets.
- 8) CRAR = Total Capital Fund (Tier 1 Capital +Tier 2 Capital) / Risk weighted assets, calculated as per applicable RBI guidelines.
- 9) Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Current Liability Ratio, Debtors turnover, Inventory turnover ratio are not applicable to the Company.



Disclosure in compliance with Regulation 52(7) & 52(7A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, for the quarter ended 31<sup>st</sup> December, 2023

**A. Statement of utilization of issue proceeds:**

Name of the Issuer	ISIN	Mode of Fund Raising (Public Issues/Private Placement)	Type of instrument	Date of raising funds	Amount Raised (₹ In Crore)	Funds Utilized (₹ In Crore)	Any deviation (Yes/No)	If Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Power Finance Corporation Limited	INE134E08MU9	Private Placement	NCD	30-Nov-23	2,625.00	2,625.00	No	NA	-
Power Finance Corporation Limited	INE134E08MV7	Private Placement	NCD	15-Dec-23	3,335.00	3,335.00	No	NA	-
<b>Total</b>					<b>5,960.00</b>	<b>5,960.00</b>			

**B. Statement of deviation/ variation in use of Issue proceeds:**

Particulars		Remarks				
Name of listed entity		Power Finance Corporation Limited				
Mode of fund raising		Private placement				
Type of instrument		Non-convertible Securities				
Date of raising funds		30-Nov-23 (single option), 15-Dec-23 (single option)				
Amount raised		₹ 5,960 Crore				
Report filed for quarter ended		31-Dec-2023				
Is there a deviation/ variation in use of funds raised?		No				
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?		NA				
If yes, details of the approval so required?						
Date of approval						
Explanation for the deviation/ variation						
Comments of the audit committee after review						
Comments of the auditors, if any						
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						
Original Object	Modified Object, if any	Original Allocation	Modified Allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. Crore and in %)	Remarks, if any
NA						
Deviation could mean:						
a. Deviation in the objects or purposes for which the funds have been raised.						
b. Deviation in the amount of funds actually utilized as against what was originally disclosed.						









Prem Gupta & Company  
Chartered Accountants,  
2342, Faiz Road, Karol Bagh  
New Delhi - 110005

Chokshi & Chokshi LLP  
Chartered Accountants,  
23, Rectangle I, District Centre,  
Saket, New Delhi – 110017  
LLP Regn. No. AAC-8909

**Independent Auditor's Review Report on unaudited consolidated financial results for the Quarter & Nine months ended 31<sup>st</sup> December, 2023 of the Company Pursuant to the Regulation 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of  
Power Finance Corporation Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Power Finance Corporation Limited (the 'Company/Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group'), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates for the quarter & nine months ended 31<sup>st</sup> December, 2023 together with the notes thereon (hereinafter referred to as the 'Statement') attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors in its meeting held on 8<sup>th</sup> February, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ('Ind AS 34') "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under, and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the unaudited financial results of the following entities:

<b>Parent</b>	
1.	Power Finance Corporation Limited
<b>Subsidiaries:</b>	
1.	REC Limited*
2.	PFC Consulting Limited*
3.	PFC Projects Limited (previously known as Coastal Karnataka Power Limited) **
<b>Associates:</b>	
1.	Orissa Integrated Power Limited
2.	Coastal Tamil Nadu Power Limited
3.	Deoghar Infra Limited
4.	Bihar Infrapower Limited
5.	Sakhigopal Integrated Power Company Limited
6.	Ghogarpalli Integrated Power Company Limited
7.	Deoghar Mega Power Limited
8.	Cheyur Infra Limited
9.	Odisha Infrapower Limited
10.	Bihar Mega Power Limited
11.	Jharkhand Infrapower Limited

\*Consolidated financial results considered for consolidation

\*\* Standalone financial results considered for consolidation

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.





Other Matters

6. We did not review the unaudited financial statement of a subsidiary included in the unaudited consolidated financial results, whose financial results reflect Group's share of total revenues of ₹ 12,087.06 crores and ₹ 34,525.81 crores, total net profit after tax of ₹ 3,308.42 crores and ₹ 10,066.37 crores and total comprehensive income (net of tax) of ₹ 2,588.11 crores and ₹ 9,943.90 crores for the quarter & nine months ended 31st December, 2023 respectively, as considered in the unaudited consolidated financial results. These financial results have been reviewed by other independent auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the review report of the other auditors and the procedures performed by us as stated in paragraph 3 above.
7. The unaudited consolidated financial results includes the financial results of two other subsidiaries which have not been reviewed, whose financial results reflect Group's share of total revenues of ₹ 137.38 crores and ₹ 227.36 crores, total net profit after tax and total comprehensive income of ₹ 93.90 crores and ₹ 142.58 crores for the quarter & nine months ended 31st December, 2023 respectively. The unaudited consolidated financial results also include the unaudited financial results in respect of associates referred to in paragraph 4 above, whose financial results reflects Group's share of net profit after tax of ₹ Nil crore and ₹ Nil crore, total comprehensive income of ₹ Nil crore and ₹ Nil crore for the quarter & nine months ended 31st December, 2023 respectively, based on their financial results which have not been reviewed. These unaudited Financial Results/ Statements/ financial information have been furnished to us by the Board of Directors and our conclusion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these two subsidiaries and eleven associates is based solely on such unaudited Financial Results / Statements/ financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these Financial Results/ Statements/ financial information are not material to the Group.
8. As per past practice, in respect of loan assets and undisbursed letter of comfort, the Parent Company and its Subsidiary, REC Limited have provided expected credit loss (ECL) as required under Ind AS 109 based on the ECL report submitted by an independent expert appointed by the Group, which inter-alia includes assumptions based on technical parameters/certain aspects.





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LLP Regn. No. AAC-8909

9. The Consolidated Unaudited Financial Results of the company for the corresponding quarter & nine months ended 31<sup>st</sup> December, 2022 were reviewed by the Joint Statutory Auditors of the company, one of whom was predecessor audit firm, and they had expressed unmodified conclusion vide their review report dated 13<sup>th</sup> February, 2023 on such financial results.

The Consolidated financial information of the company for the year ended 31<sup>st</sup> March, 2023 included in this Statement, were audited by the Joint Statutory Auditors of the company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Consolidated Financial Statements vide their audit report dated 27<sup>th</sup> May, 2023.

Our conclusion on the statement is not modified in respect of above matters as per paragraph 6 to 9.

**FOR PREM GUPTA & COMPANY**  
Chartered Accountants  
Firm's Registration No.: 000425N


**CA MEENAKSHI BANSAL**  
Partner  
Membership No. 520318  
UDIN: 24520318BKDFCG4124

**FOR CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
Firm's Registration No.: 101872W/W100045


**CA M.K.SARAOGI**  
Partner  
Membership No. 054106  
UDIN: 24054106BKERFP6924

**Place: New Delhi**  
**Date: 8<sup>th</sup> February, 2024**

**Power Finance Corporation Limited**  
 Regd. Office :Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi. Website: <https://www.pfcindia.com>  
 Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Months ended 31.12.2023

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Nine Months ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	<b>Revenue from Operations</b>						
(i)	Interest Income	23,283.63	22,094.82	19,348.04	66,194.21	56,878.66	76,495.93
(ii)	Dividend Income	21.31	21.95	57.73	43.26	71.58	103.00
(iii)	Fees and Commission Income	67.97	91.32	98.19	193.67	325.64	548.79
(iv)	Other Operating Income	198.92	182.91	135.18	524.18	231.56	420.58
<b>I.</b>	<b>Total Revenue from Operations</b>	<b>23,571.83</b>	<b>22,391.00</b>	<b>19,639.14</b>	<b>66,955.32</b>	<b>57,507.44</b>	<b>77,568.30</b>
<b>II.</b>	<b>Other Income</b>	<b>21.57</b>	<b>12.69</b>	<b>23.51</b>	<b>43.21</b>	<b>43.64</b>	<b>56.89</b>
<b>III.</b>	<b>Total Income (I+II)</b>	<b>23,593.40</b>	<b>22,403.69</b>	<b>19,662.65</b>	<b>66,998.53</b>	<b>57,551.08</b>	<b>77,625.19</b>
	<b>Expenses</b>						
(i)	Finance Costs	14,827.24	14,313.11	12,129.36	42,809.90	34,379.65	47,016.78
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	199.22	199.79	471.62	(34.16)	2,828.43	3,089.27
(iii)	Fees and Commission Expense	7.80	12.44	6.16	28.34	19.24	28.35
(iv)	Net Loss / (Gain) on Fair Value changes	(48.88)	(198.06)	596.74	(267.91)	141.08	(115.87)
(v)	Impairment on Financial Instruments	319.00	(866.28)	(400.99)	(480.09)	649.79	(153.55)
(vi)	Cost of Services Rendered	6.56	67.06	10.72	182.56	40.96	73.69
(vii)	Employee Benefit Expenses	137.16	115.80	121.68	369.20	352.09	438.88
(viii)	Depreciation, Amortisation and Impairment	13.81	12.68	14.12	38.55	37.56	51.80
(ix)	Corporate Social Responsibility Expenses	93.00	20.36	35.62	144.26	197.97	430.34
(x)	Other Expenses	77.17	98.00	58.63	216.76	170.07	269.44
<b>IV.</b>	<b>Total Expenses</b>	<b>15,632.08</b>	<b>13,774.90</b>	<b>13,043.66</b>	<b>43,007.41</b>	<b>38,816.84</b>	<b>51,129.13</b>
<b>V.</b>	<b>Share of Profit / (Loss) in Joint Venture and Associates</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>
<b>VI.</b>	<b>Profit/(Loss) Before Exceptional Items and Tax (III-IV+V)</b>	<b>7,961.32</b>	<b>8,628.79</b>	<b>6,619.00</b>	<b>23,991.12</b>	<b>18,734.25</b>	<b>26,496.07</b>
<b>VII.</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII.</b>	<b>Profit/(Loss) Before Tax (VI-VII)</b>	<b>7,961.32</b>	<b>8,628.79</b>	<b>6,619.00</b>	<b>23,991.12</b>	<b>18,734.25</b>	<b>26,496.07</b>
	<b>Tax Expense:</b>						
	(1) Current Tax:						
	- Current Year	1,659.10	1,590.34	1,188.16	4,663.61	3,793.56	5,119.10
	- Earlier Years	1.34	0.09	(67.70)	1.43	(198.28)	(198.44)
	(2) Deferred Tax Expense / (Income)	6.44	410.19	257.44	421.33	89.01	396.82
<b>IX.</b>	<b>Total Tax Expense</b>	<b>1,666.88</b>	<b>2,000.62</b>	<b>1,377.90</b>	<b>5,086.37</b>	<b>3,684.29</b>	<b>5,317.48</b>
<b>X.</b>	<b>Profit/(Loss) for the period from Continuing Operations (VIII-IX)</b>	<b>6,294.44</b>	<b>6,628.17</b>	<b>5,241.10</b>	<b>18,904.75</b>	<b>15,049.96</b>	<b>21,178.59</b>
<b>XI.</b>	<b>Profit/(Loss) from Discontinued Operations (After Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XII.</b>	<b>Profit/(Loss) for the period (from continuing and discontinued operations) (X+XI)</b>	<b>6,294.44</b>	<b>6,628.17</b>	<b>5,241.10</b>	<b>18,904.75</b>	<b>15,049.96</b>	<b>21,178.59</b>
	<b>Other Comprehensive Income</b>						
(A)	(i) Items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	2.83	0.45	(1.27)	2.37	(6.17)	(9.61)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	509.64	352.48	78.46	1,154.71	156.08	87.58
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	(0.70)	(0.11)	0.37	(0.57)	1.64	2.45
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(91.40)	(38.31)	(6.57)	(153.83)	(4.38)	9.84
	<b>Sub-Total (A)</b>	<b>420.37</b>	<b>314.51</b>	<b>70.99</b>	<b>1,002.68</b>	<b>147.17</b>	<b>90.26</b>
(B)	(i) Items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	(842.51)	(182.76)	(113.23)	(953.56)	1,065.43	932.35
	- Cost of Hedging Reserve	(260.31)	1,032.64	(43.24)	752.29	(3,904.58)	(2,563.96)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge	286.10	(28.07)	28.51	239.99	(268.14)	(234.65)
	- Cost of Hedging Reserve	95.55	(289.93)	10.88	(189.34)	982.70	645.29
	<b>Sub-Total (B)</b>	<b>(721.17)</b>	<b>531.88</b>	<b>(117.08)</b>	<b>(150.62)</b>	<b>(2,124.59)</b>	<b>(1,220.97)</b>
<b>XIII.</b>	<b>Other Comprehensive Income (A+B)</b>	<b>(300.80)</b>	<b>846.39</b>	<b>(46.09)</b>	<b>852.06</b>	<b>(1,977.42)</b>	<b>(1,130.71)</b>
<b>XIV.</b>	<b>Total Comprehensive Income (XII+XIII)</b>	<b>5,993.64</b>	<b>7,474.56</b>	<b>5,195.01</b>	<b>19,756.81</b>	<b>13,072.54</b>	<b>20,047.88</b>





Sr. No.	Particulars	Quarter Ended			Nine Months ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	<b>Profit attributable to:</b>						
	- Owners of the Company	4,727.40	4,833.08	3,860.25	14,136.80	11,212.62	15,889.33
	- Non-Controlling Interest	1,567.04	1,795.09	1,380.85	4,767.95	3,837.34	5,289.26
		<b>6,294.44</b>	<b>6,628.17</b>	<b>5,241.10</b>	<b>18,904.75</b>	<b>15,049.96</b>	<b>21,178.59</b>
	<b>Other Comprehensive Income attributable to:</b>						
	- Owners of the Company	40.36	649.65	15.06	910.06	(1,212.51)	(670.78)
	- Non-Controlling Interest	(341.16)	196.74	(61.15)	(58.00)	(764.91)	(459.93)
		<b>(300.80)</b>	<b>846.39</b>	<b>(46.09)</b>	<b>852.06</b>	<b>(1,977.42)</b>	<b>(1,130.71)</b>
	<b>Total Comprehensive Income attributable to:</b>						
	- Owners of the Company	4,767.76	5,482.73	3,875.31	15,046.86	10,000.11	15,218.55
	- Non-Controlling Interest	1,225.88	1,991.83	1,319.70	4,709.95	3,072.43	4,829.33
		<b>5,993.64</b>	<b>7,474.56</b>	<b>5,195.01</b>	<b>19,756.81</b>	<b>13,072.54</b>	<b>20,047.88</b>
XV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	3,300.10	3,300.10	2,640.08	3,300.10	2,640.08	2,640.08
XVI.	Other Equity (As per Audited Balance Sheet as at 31st March)	NA	NA	NA	NA	NA	81,518.41
XVII.	<b>Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:</b>						
	(1) For continuing operations (in ₹)	14.33	14.65	11.70	42.84	33.98	48.15
	(2) For discontinued operations (in ₹)	-	-	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	14.33	14.65	11.70	42.84	33.98	48.15

\* EPS for the Quarters and Nine Months is not annualised. Also, refer Note 4(b).

See accompanying Notes to the Consolidated Financial Results.







7	Disclosure as per the Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at <b>Annexure A</b> .
8	As on December 31, 2023, Company has maintained the required High Quality Liquid Assets (HQLA) in the form of Govt. Securities, Corporate bonds, marketable securities including callable / demand fixed deposits (FD) with scheduled commercial banks. RBI vide its order dated February 6, 2024 has treated callable / demand fixed deposits (FD) with scheduled commercial banks as ineligible security for the purpose of HQLA. The company has informed Stock exchanges (BSE/NSE) about the said order vide its letter dated February 7, 2024.
9	The Group's operations comprise of only one business segment - lending to power, logistics and infrastructure sector. Hence, there is no other reportable business / geographical segment as per Ind AS 108- 'Operating Segments'.
10	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable with the current period.

Place: New Delhi  
Date: 08.02.2024

  
Parminder Chopra  
Chairman & Managing Director  
DIN – 08530587





Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended 31.12.2023 on consolidated basis:

Particulars	As at / For the		As at / For the nine	
	quarter	ended	months	ended
	31.12.2023		31.12.2023	
(i) Debt to Equity Ratio (times)	6.39			
(ii) Outstanding Redeemable Preference Shares	-			
(iii) Capital redemption reserve/debenture redemption reserve	-			
(iv) Net Worth (₹ in crore)	96,621.24			
(v) Net profit after tax (₹ in crore)	6,294.44		18,904.75	
(vi) Earnings per share (Not annualised) (in ₹)				
Basic (₹)	14.33		42.84	
Diluted (₹)	14.33		42.84	
(vii) Total Debt to Total Assets (times)	0.82			
(viii) Operating Margin (%)	33.68		35.77	
(ix) Net Profit Margin (%)	26.68		28.22	
(x) Other Sector Specific Ratios				
Gross Credit Impaired Assets Ratio (%)			3.13	
Net Credit Impaired Assets Ratio (%)			0.86	

**Note:**

- 1) Debt to Equity ratio = Net Debt / (Equity Share Capital + Other Equity+ Non-Controlling Interest).  
Net debt = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
- 2) Net worth = Equity Share Capital + Other Equity.
- 3) Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} / Total assets.
- 4) Operating Margin = (Profit before Tax - Other Income) / Total Revenue from operations.
- 5) Net profit margin = Net profit After Tax/Total Income.
- 6) Gross Credit Impaired Assets Ratio = Gross Credit Impaired Assets /Gross Loan Assets.
- 7) Net Credit Impaired Assets Ratio = Net Credit Impaired Assets /Gross Loan Assets.
- 8) Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Current Liability Ratio, Debtors turnover, Inventory turnover ratio are not applicable to the Group.



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**Independent Auditor's Review Report on unaudited standalone Interim Financial Statements for the Nine months ended 31<sup>st</sup> December, 2023 of the Company**

**To the Board of Directors of  
Power Finance Corporation Limited**

1. We have reviewed the accompanying unaudited standalone interim financial statements of Power Finance Corporation Limited (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> December, 2023, Statement of Profit & Loss, Statement of Cash Flow and Statement of Changes in Equity for the nine months ended 31<sup>st</sup> December, 2023 and Significant Accounting Policies & Summarized Notes to Accounts thereon.
2. These unaudited Standalone Interim Financial Statements, which are the responsibility of the Company's management and approved by the Board of Directors of the Company, in its meeting held on 8<sup>th</sup> February, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the unaudited Standalone Interim Financial Statements based on our review.
3. We conducted our review of the Standalone Interim Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Interim Financial Statements is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Standalone Interim Financial Statements, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatements.





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Other Matters

5. As per past practice, in respect of loan assets and undisbursed letter of comfort, the Company has provided expected credit loss (ECL) as required under Ind AS 109 based on the ECL report submitted by an independent expert appointed by the Company, which *inter-alia* includes assumptions based on technical parameters/certain aspects.
6. The Standalone Financial Results of the Company for the corresponding nine months ended 31<sup>st</sup> December, 2022 were reviewed by the Joint Statutory Auditors of the Company, one of whom was predecessor audit firm, and they had expressed unmodified conclusions vide their review report dated 13<sup>th</sup> February, 2023 on such financial results. Also, the Standalone Financial Information of the company for the year ended 31<sup>st</sup> March, 2023 included in these unaudited Standalone Interim Financial Statements, were audited by the Joint Statutory Auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Standalone Financial Statements vide their audit report dated 27<sup>th</sup> May, 2023.
7. This report has been issued at the request of the company for the purpose of raising of foreign currency bonds and hence the same should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our conclusion on the unaudited Standalone Interim Financial Statements is not modified in respect of the above matters as per paragraph 5 to 7.

**FOR PREM GUPTA & COMPANY**

Chartered Accountants

Firm's Registration No.: 000425N

*Meenakshi*

**CA MEENAKSHI BANSAL**

Partner

Membership No. 520318

UDIN: 24520318BKDFCD5498



**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

Firm's Registration No.: 101872W/W100045

*M.K. Saraogi*

**CA M.K.SARAOGI**

Partner

Membership No. 054106

UDIN: 24054106BKERFQ3013



Place: New Delhi

Date: 8<sup>th</sup> February, 2024

**Power Finance Corporation Limited**  
**Standalone Balance Sheet as at December 31, 2023**

(₹ in crore)

Sr. No.	Particulars	Note No.	As at	As at
			31.12.2023	31.03.2023
			(Un-Audited)	(Audited)
<b>ASSETS</b>				
<b>1 Financial Assets</b>				
(a)	Cash and Cash Equivalents	1	7,880.52	1,495.40
(b)	Bank Balance other than included in Cash and Cash Equivalents	2	211.97	122.70
(c)	Derivative Financial Instruments	3	4,180.50	4,803.40
(d)	Loans	4	446,345.10	410,829.15
(e)	Investments	5	19,015.06	17,304.14
(f)	Other Financial Assets	6	5,512.96	5,389.03
<b>Total Financial Assets (1)</b>			<b>483,146.11</b>	<b>439,943.82</b>
<b>2 Non- Financial Assets</b>				
(a)	Current Tax Assets (Net)	7	228.24	210.28
(b)	Deferred Tax Assets (Net)		3,700.06	4,033.31
(c)	Property, Plant and Equipment	8	43.18	44.00
(d)	Intangible Assets	8	0.03	0.04
(e)	Intangible Assets under development	8	11.20	11.20
(f)	Right-of-use Assets	9	34.06	34.40
(g)	Other Non-Financial Assets	10	683.58	556.01
<b>Total Non- Financial Assets (2)</b>			<b>4,700.35</b>	<b>4,889.24</b>
<b>Total Assets (1+2)</b>			<b>487,846.46</b>	<b>444,833.06</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>1 Financial Liabilities</b>				
(a)	Derivative Financial Instruments	3	166.00	24.32
(b)	Debt Securities	11	284,978.66	259,827.05
(c)	Borrowings (other than Debt Securities)	12	109,700.09	101,228.89
(d)	Subordinated Liabilities	13	9,050.26	9,311.84
(e)	Other Financial Liabilities	14	6,402.28	5,537.68
<b>Total Financial Liabilities (1)</b>			<b>410,297.29</b>	<b>375,929.78</b>
<b>2 Non- Financial Liabilities</b>				
(a)	Current Tax Liabilities (Net)	7	54.59	105.02
(b)	Provisions	15	306.74	323.65
(c)	Other Non-Financial Liabilities	16	407.93	272.38
<b>Total Non- Financial Liabilities (2)</b>			<b>769.26</b>	<b>701.05</b>
<b>Total Liabilities (1+2)</b>			<b>411,066.55</b>	<b>376,630.83</b>
<b>3 Equity</b>				
(a)	Equity Share Capital	17	3,300.10	2,640.08
(b)	Other Equity	18	73,479.81	65,562.15
<b>Total Equity (3)</b>			<b>76,779.91</b>	<b>68,202.23</b>
<b>Total Liabilities and Equity (1+2+3)</b>			<b>487,846.46</b>	<b>444,833.06</b>

Significant Accounting Policies and Notes annexed hereto form an integral part of Interim Financial Statements

Place : New Delhi  
Date : 08.02.2024

  
(Parminder Chopra)  
Chairman and Managing Director  
DIN - 08530587





**Power Finance Corporation Limited**  
**Standalone Statement of Profit and Loss for the Nine Months ended December 31, 2023**

(₹ in crore)

Sr. No.	Particulars	Note No.	Nine Months ended	Nine Months ended
			31.12.2023	31.12.2022
			(Un-Audited)	(Un-Audited)
	<b>Revenue from Operations</b>			
(i)	Interest Income	19	32,147.41	28,028.63
(ii)	Dividend Income		1,581.35	1,265.27
(iii)	Fees and Commission Income	20	50.01	172.96
<b>I.</b>	<b>Total Revenue from Operations</b>		<b>33,778.77</b>	<b>29,466.86</b>
<b>II.</b>	<b>Other Income</b>	21	6.23	12.54
<b>III.</b>	<b>Total Income (I+II)</b>		<b>33,785.00</b>	<b>29,479.40</b>
	<b>Expenses</b>			
(i)	Finance Costs	22	20,757.34	17,141.86
(ii)	Net Translation / Transaction Exchange Loss / (Gain)		(140.78)	1,684.18
(iii)	Fees and Commission Expense	23	12.96	7.89
(iv)	Net Loss / (Gain) on Fair Value changes	24	70.84	217.16
(v)	Impairment on Financial Instruments	25	165.87	197.99
(vi)	Employee Benefit Expenses	26	185.11	165.98
(vii)	Depreciation, Amortisation and Impairment	8/9	12.69	13.88
(viii)	Corporate Social Responsibility Expenses		10.45	81.28
(ix)	Other Expenses	27	104.80	79.77
<b>IV.</b>	<b>Total Expenses</b>		<b>21,179.28</b>	<b>19,589.99</b>
<b>V.</b>	<b>Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>		<b>12,605.72</b>	<b>9,889.41</b>
<b>VI.</b>	<b>Exceptional Items</b>		-	-
<b>VII.</b>	<b>Profit/(Loss) Before Tax (V-VI)</b>		<b>12,605.72</b>	<b>9,889.41</b>
	<b>Tax Expense:</b>			
(1)	Current Tax:			
-	Current Year		2,191.38	1,803.55
-	Earlier Years		-	(50.94)
(2)	Deferred Tax Expense / (Income)		182.77	23.60
<b>VIII.</b>	<b>Total Tax Expense</b>		<b>2,374.15</b>	<b>1,776.21</b>
<b>IX.</b>	<b>Profit/(Loss) from Continuing Operations (VII-VIII)</b>		<b>10,231.57</b>	<b>8,113.20</b>
<b>X.</b>	<b>Profit/(Loss) from Discontinued Operations (After Tax)</b>		-	-
<b>XI.</b>	<b>Profit/(Loss) (from continuing and discontinued operations) (IX+X)</b>		<b>10,231.57</b>	<b>8,113.20</b>
	<b>Other Comprehensive Income</b>			
(A)	(i) Items that will not be reclassified to Profit or Loss			
-	Re-measurement of Defined Benefit Plans		(2.41)	(3.81)
-	Net Gain / (Loss) on Fair Value of Equity Instruments		1,111.02	200.46
(ii)	Income Tax relating to items that will not be reclassified to Profit or Loss			
-	Re-measurement of Defined Benefit Plans		0.63	1.05
-	Net Gain / (Loss) on Fair Value of Equity Instruments		(147.01)	(4.06)
	<b>Sub-Total (A)</b>		<b>962.23</b>	<b>193.64</b>
(B)	(i) Items that will be reclassified to Profit or Loss			
-	Effective Portion of Gains / (Loss) in Cash Flow Hedge		(208.96)	586.07
-	Cost of Hedging Reserve		225.40	(1,329.24)
(ii)	Income Tax relating to items that will be reclassified to Profit or Loss			
-	Effective Portion of Gains / (Loss) in Cash Flow Hedge		52.59	(147.50)
-	Cost of Hedging Reserve		(56.73)	334.54
	<b>Sub-Total (B)</b>		<b>12.30</b>	<b>(556.13)</b>
<b>XII.</b>	<b>Other Comprehensive Income (A+B)</b>		<b>974.53</b>	<b>(362.49)</b>
<b>XIII.</b>	<b>Total Comprehensive Income (XI+XII)</b>		<b>11,206.10</b>	<b>7,750.71</b>
<b>XIV.</b>	<b>Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):</b>			
(1)	For continuing operations (in ₹)		31.00	24.58
(2)	For discontinued operations (in ₹)		-	-
(3)	For continuing and discontinued operations (in ₹)		31.00	24.58

EPS for the Nine Months is not annualised. Also, refer Note 3(b) of summarized notes.

Place : New Delhi  
Date : 08.02.2024

*Chopra*  
(Parminder Chopra)  
Chairman and Managing Director  
DIN - 08530587



Power Finance Corporation Limited  
Standalone Statement of Changes in Equity for the Nine Months ended December 31, 2023

(₹ in crore)	
Particulars	Closing Balance
Issued, Subscribed and fully paid up	
Nine months ended December 31, 2022	2,640.08
Nine months ended December 31, 2023	2,640.08
	660.02
	3,300.10

B. Other Equity

Particulars	Reserves and Surplus										Other Comprehensive Income				Total
	Special Reserve created as per 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts as per 36(1)(ia)(c) of Income-Tax Act, 1961	Special Reserve created as per 36(1)(b) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created and maintained as per 36(1)(b) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KPW Loan	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Cost of Hedging Reserve			
<b>Balance as at 31.03.2023</b>	8,559.23	529.39	599.85	26,511.31	2,776.54	(467.57)	64.97	14,691.55	12,648.64	55.54	492.20	(899.50)	65,562.15		
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	10,231.57		
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	(1.79)		
<b>Other Comprehensive Income / (Expense)</b>	-	-	-	-	-	-	-	-	-	-	-	-	964.01		
<b>Total Comprehensive Income for the period</b>	-	-	-	-	-	-	-	-	-	-	-	-	10,229.78		
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	(2,673.08)		
Transfer to / from Retained Earnings	2,046.31	522.00	1,989.03	-	-	-	-	-	-	-	-	-	(4,557.34)		
Transfer to / from General Reserve	-	(29.25)	-	-	-	-	-	29.25	-	-	-	-	-		
Utilisation of reserve against bad debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-		
Reclassification of gain / (loss) on sale / extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	40.60	(40.60)	-	-	-		
Utilised for issue of Bonus Equity Shares	-	-	-	-	(660.02)	-	-	-	-	-	-	-	(660.02)		
Expenses incurred on issue of Bonus Equity shares	-	-	-	-	(0.38)	-	-	-	-	-	-	-	(0.38)		
Additions / Deletions during the period (net)	-	(2.97)	37.62	-	-	45.05	2.21	-	(36.86)	-	-	-	45.05		
<b>Balance as at 31.12.2023</b>	10,605.54	1,019.17	28,537.96	2,116.14	(422.52)	67.18	14,720.80	15,651.74	978.95	335.83	(730.83)	73,479.81			
<b>Balance as at 31.03.2022</b>	6,238.14	576.44	24,139.00	2,776.54	(513.80)	64.07	14,115.11	8,863.49	(54.23)	200.34	(294.75)	56,710.20			
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	8,113.20		
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	(2.76)		
<b>Other Comprehensive Income / (Expense)</b>	-	-	-	-	-	-	-	-	-	-	-	-	196.40		
<b>Total Comprehensive Income for the period</b>	-	-	-	-	-	-	-	-	-	-	-	-	438.57		
Dividends	-	-	1,699.32	-	-	-	-	-	-	-	-	-	(994.70)		
Transfer to / from Retained Earnings	1,622.64	419.49	-	-	-	-	-	-	-	-	-	-	196.40		
Utilisation of reserve against bad debts written off	-	(576.44)	-	-	-	-	-	-	-	-	-	-	(438.57)		
Reclassification of gain / (loss) on sale / extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	-	-	-	-	438.57		
Additions / Deletions during the period (net)	-	(60.71)	8.84	-	-	(95.78)	1.32	-	(41.06)	-	-	-	(95.78)		
<b>Balance as at 31.12.2022</b>	7,860.78	358.78	25,847.16	2,776.54	(609.58)	65.39	14,691.55	11,608.04	101.11	638.91	(1,289.45)	62,649.08			

Place : New Delhi  
Date : 08.02.2024



*Chopra*  
(Parmaninder Chopra)  
Chairman and Managing Director  
DIN - 08530587



**Power Finance Corporation Limited**  
**Standalone Statement of Cash Flows for Nine Months ended December 31, 2023**

(₹ in crore)

Sr. No.	Description	Nine Months ended 31.12.2023		Nine Months ended 31.12.2022	
		(Un-Audited)		(Un-Audited)	
<b>I.</b>	<b>Cash Flow from Operating Activities :</b>				
	Profit before Tax	12,605.72		9,889.41	
	<b>Adjustments for:</b>				
	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	2.68		2.03	
	Loss/ (Gain) on Fair value changes (Net)	70.84		217.16	
	Unrealised Foreign Exchange Translation Loss / (Gain)	(284.08)		3,763.23	
	Depreciation and Amortisation	12.69		13.88	
	Impairment on Financial Instruments	165.87		197.99	
	Effective Interest Rate in respect of Loan assets and borrowings/ debt securities	(103.95)		(35.02)	
	Interest expense on Zero Coupon Bonds and Commercial Papers	(105.77)		42.06	
	Other interest expense	0.19		0.19	
	Interest accrued on investments	44.88		16.38	
	Provision (others) created during the period	45.10		43.45	
	<b>Operating profit before Working Capital Changes:</b>	<b>12,454.17</b>		<b>14,150.76</b>	
	<b>Increase / Decrease :</b>				
	Loans (Net)	(35,759.65)		(22,182.40)	
	Other Financial and Non-Financial Assets	(245.84)		2,091.00	
	Derivative	567.93		(2,733.06)	
	Other Financial & Non-Financial Liabilities and Provisions	3,004.15		(774.30)	
	<b>Cash Flow before Exceptional Items</b>	<b>(19,979.22)</b>		<b>(9,448.00)</b>	
	Exceptional Items	-		-	
	<b>Cash Flow from Operations Before Tax</b>	<b>(19,979.22)</b>		<b>(9,448.00)</b>	
	Income Tax paid	(2,243.37)		(2,019.41)	
	Income Tax Refund	-		57.89	
	<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>(22,222.59)</b>		<b>(11,409.52)</b>
<b>II.</b>	<b>Cash Flow From Investing Activities :</b>				
	Proceeds from disposal of Property, Plant and Equipment	0.14		(0.84)	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(126.70)		(13.08)	
	Sale / (Purchase) of Other Investments	(502.53)		(664.30)	
	<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		<b>(629.09)</b>		<b>(678.22)</b>
<b>III.</b>	<b>Cash Flow From Financing Activities :</b>				
	Raising of Bonds (including premium) (Net of Redemptions)	23,348.38		10,593.10	
	Raising of Long Term Loans (Net of Repayments)	3,378.64		1,360.00	
	Raising of Foreign Currency Loans (Net of Repayments)	7,959.71		2,480.32	
	Raising of Subordinated Liabilities (Net of Redemptions)	(800.00)		-	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	(1,976.46)		3,582.82	
	Expenses on issue of bonus equity shares	(0.38)		-	
	Payment of Dividend	(2,673.08)		(1,716.05)	
	Payment of Lease Liability	(0.00)		(0.00)	
	<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>29,236.81</b>		<b>16,300.19</b>
	<b>Net Increase / Decrease in Cash and Cash Equivalents</b>		<b>6,385.12</b>		<b>4,212.45</b>
	Add : Cash and Cash Equivalents at beginning of the financial year		1,495.40		720.91
	<b>Cash and Cash Equivalents at the end of the period</b>		<b>7,880.52</b>		<b>4,933.36</b>
	<b>Details of Cash and Cash Equivalents at the end of the period:</b>				
	<b>(A) Balances with Banks (of the nature of cash and cash equivalents)</b>				
	- In current accounts	27.55		127.72	
	- In Bank Deposit (Callable) /Demand Deposits (original maturity up to 3 months)	7,077.29		3,332.38	
	- Cheques, Drafts on hand including postage and Imprest	0.00		0.00	
	<b>(B) Earmarked Balances</b>				
	- In Bank Deposit (Callable) /Demand Deposits (for HQLA)	775.68		1,473.26	
	<b>Total Cash and Cash Equivalents at the end of the period</b>		<b>7,880.52</b>		<b>4,933.36</b>

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

Place : New Delhi  
Date : 08.02.2024

*Chopra*  
(Parminder Chopra)  
Chairman and Managing Director  
DIN - 08530587



1 Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(A)	<b>Balances with Banks (of the nature of cash and cash equivalents)</b>		
	- In Current Accounts	27.55	22.14
	- In Bank Deposit (Callable) /Demand Deposits (original maturity up to 3 months)	7,077.29	-
	- Cheques, Drafts on hand including Postage and Imprest	0.00	0.00
(B)	<b>Earmarked balances</b>		
	- In Bank Deposit (Callable) /Demand Deposits (for HQLA)	775.68	1,473.26
	<b>Total Cash and Cash Equivalents</b>	<b>7,880.52</b>	<b>1,495.40</b>

2 Bank Balance other than included in Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	<b>Earmarked Balances with Banks for</b>		
	- Term Deposits- For redemption of debentures	0.30	-
	- Unpaid Dividend	5.20	5.63
	- Unpaid - Bonds / Interest on Bonds etc.	73.39	72.70
	- Amount received under GOI schemes	0.00	1.78
	- Current Accounts with Banks - Unspent CSR Purposes	133.08	42.59
	<b>Total Bank Balance other than included in Cash and Cash Equivalents</b>	<b>211.97</b>	<b>122.70</b>





### 3 Derivative Financial Instruments

The Company enters into derivative contracts for hedging Currency & Interest Rate risk. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

#### Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023			As at 31.03.2023		
		Notional Amount	Fair value Assets	Fair value Liabilities	Notional Amount	Fair value Assets	Fair value Liabilities
(i)	<b>Currency Derivatives</b>						
	- Spot and Forwards	965.28	-	106.75	1,014.18	20.40	21.06
	- Currency Swaps	11,184.59	274.75	59.25	4,521.93	460.12	-
	- Options	58,707.64	3,718.07	-	48,020.93	3,891.63	3.26
	<b>Total Currency Derivatives (i)</b>	<b>70,857.51</b>	<b>3,992.82</b>	<b>166.00</b>	<b>53,557.04</b>	<b>4,372.15</b>	<b>24.32</b>
(ii)	<b>Interest Rate Derivatives</b>						
	- Forward Rate Agreements and Interest Rate Swaps	8,552.17	187.68	-	10,549.12	431.25	-
	<b>Total Interest Rate Derivatives (ii)</b>	<b>8,552.17</b>	<b>187.68</b>	<b>-</b>	<b>10,549.12</b>	<b>431.25</b>	<b>-</b>
	<b>Total Derivative Financial Instruments (i+ii)</b>	<b>79,409.68</b>	<b>4,180.50</b>	<b>166.00</b>	<b>64,106.16</b>	<b>4,803.40</b>	<b>24.32</b>

#### Part - II : Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023			As at 31.03.2023		
		Notional Amount	Fair value Assets	Fair value Liabilities	Notional Amount	Fair value Assets	Fair value Liabilities
(i)	<b>Cash Flow Hedging (Designated)</b>						
	- Currency Derivatives	70,374.87	3,992.83	92.57	47,904.29	3,986.16	3.26
	- Interest Rate Derivatives	5,402.57	137.30	-	7,399.52	364.11	-
	<b>Total Cash Flow Hedging (Designated) (i)</b>	<b>75,777.44</b>	<b>4,130.13</b>	<b>92.57</b>	<b>55,303.81</b>	<b>4,350.27</b>	<b>3.26</b>
(ii)	<b>Undesignated Derivatives</b>						
		3,632.24	50.37	73.43	8,802.35	453.13	21.06
	<b>Total Undesignated Derivatives (ii)</b>	<b>3,632.24</b>	<b>50.37</b>	<b>73.43</b>	<b>8,802.35</b>	<b>453.13</b>	<b>21.06</b>
	<b>Total Derivative Financial Instruments (i+ii)</b>	<b>79,409.68</b>	<b>4,180.50</b>	<b>166.00</b>	<b>64,106.16</b>	<b>4,803.40</b>	<b>24.32</b>



#### 4 Loans

The Company has categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.  
(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(A)	<b>Loans to Borrowers</b>		
(i)	Rupee Term Loans (RTLs)	422,808.75	398,559.81
(ii)	Buyer's Line of Credit	1,951.25	2,086.95
(iii)	Short Term Loans	31,489.23	21,073.36
(iv)	Others	777.61	777.61
(v)	<b>Principal Outstanding (i to iv)</b>	<b>457,026.84</b>	<b>422,497.73</b>
(vi)	Interest accrued but not due on Loans	4,297.37	4,077.36
(vii)	Interest accrued & due on Loans	1,344.12	418.14
(viii)	Unamortised Fee on Loans	(166.42)	(139.41)
	<b>Gross Carrying Amount (v to viii)</b>	<b>462,501.91</b>	<b>426,853.82</b>
	Less: Impairment loss allowance	(16,156.81)	(16,024.67)
	<b>Net Carrying Amount</b>	<b>446,345.10</b>	<b>410,829.15</b>
(B)	<b>Security-wise classification</b>		
(i)	Secured by Tangible Assets	204,662.75	195,573.46
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	183,385.06	168,744.12
(iv)	Unsecured	74,454.10	62,536.24
	<b>Gross Security-wise classification</b>	<b>462,501.91</b>	<b>426,853.82</b>
	Less: Impairment loss allowance	(16,156.81)	(16,024.67)
	<b>Net Security-wise classification</b>	<b>446,345.10</b>	<b>410,829.15</b>
(C) I	<b>Loans in India</b>		
(i)	Public Sector	379,094.08	353,941.30
(ii)	Private Sector	83,407.83	72,912.52
	<b>Gross Carrying Amount of Loans in India</b>	<b>462,501.91</b>	<b>426,853.82</b>
	Less: Impairment loss allowance	(16,156.81)	(16,024.67)
	<b>Net Carrying amount of Loans in India</b>	<b>446,345.10</b>	<b>410,829.15</b>
(C) II	<b>Loans Outside India</b>		
	Less: Impairment loss allowance	-	-
	<b>Net Carrying Amount of Loans Outside India</b>	<b>-</b>	<b>-</b>
	<b>Net Carrying Amount of Loans in India and Outside India</b>	<b>446,345.10</b>	<b>410,829.15</b>





5 Investments

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
<b>(A) Investments</b>							
(i)	Debt securities	300.25	-	-	-	-	300.25
(ii)	Government Securities	1,072.04	-	-	-	-	1,072.04
(iii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.70	14,500.70
	- Associates	-	-	-	-	0.55	0.55
	- Others	-	2,754.20	211.61	2,965.81	-	2,965.81
(iv)	Preference Shares	86.86	-	-	-	-	86.86
(v)	Debentures	114.19	-	47.61	47.61	-	161.80
	<b>Total Investments</b>	<b>1,573.34</b>	<b>2,754.20</b>	<b>259.22</b>	<b>3,013.42</b>	<b>14,501.25</b>	<b>19,088.01</b>
<b>(B) Geography wise investment</b>							
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,573.34	2,754.20	259.22	3,013.42	14,501.25	19,088.01
	<b>Gross Geography wise investment</b>	<b>1,573.34</b>	<b>2,754.20</b>	<b>259.22</b>	<b>3,013.42</b>	<b>14,501.25</b>	<b>19,088.01</b>
	Less: Impairment loss allowance	(72.95)	-	-	-	-	(72.95)
	<b>Net Geography wise investment</b>	<b>1,500.39</b>	<b>2,754.20</b>	<b>259.22</b>	<b>3,013.42</b>	<b>14,501.25</b>	<b>19,015.06</b>

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
<b>(A) Investments</b>							
(i)	Debt securities	300.08	-	-	-	-	300.08
(ii)	Government Securities	526.25	-	-	-	-	526.25
(iii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.70	14,500.70
	- Associates	-	-	-	-	0.55	0.55
	- Others	-	1,722.21	69.36	1,791.57	-	1,791.57
(iv)	Preference Shares	85.78	-	-	-	-	85.78
(v)	Debentures	122.16	-	50.00	50.00	-	172.16
	<b>Total Investments</b>	<b>1,034.27</b>	<b>1,722.21</b>	<b>119.36</b>	<b>1,841.57</b>	<b>14,501.25</b>	<b>17,377.09</b>
<b>(B) Geography wise investment</b>							
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,034.27	1,722.21	119.36	1,841.57	14,501.25	17,377.09
	<b>Gross Geography wise investment</b>	<b>1,034.27</b>	<b>1,722.21</b>	<b>119.36</b>	<b>1,841.57</b>	<b>14,501.25</b>	<b>17,377.09</b>
	Less: Impairment loss allowance	(72.95)	-	-	-	-	(72.95)
	<b>Net Geography wise investment</b>	<b>961.32</b>	<b>1,722.21</b>	<b>119.36</b>	<b>1,841.57</b>	<b>14,501.25</b>	<b>17,304.14</b>

\* Others includes Investment in Subsidiaries and Associates which have been carried at cost in accordance with the provisions of Ind AS 27 'Separate Financial Statements'.

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss



## 6 Other Financial Assets

The Company has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Recoverable on account of Government of India Serviced Bonds	5,133.75	5,038.21
(ii)	Advances to Subsidiaries and Associates	212.54	200.45
(iii)	Advances to Employees	1.22	1.03
(iv)	Loans to Employees	136.64	121.86
(v)	Others	50.25	45.86
	Less: Impairment loss allowance on Others	(21.44)	(18.38)
	<b>Total Other Financial Assets</b>	<b>5,512.96</b>	<b>5,389.03</b>

## 7 Current Tax Assets / Liabilities (Net)

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Advance income tax and TDS net of Provision	133.83	133.83
(ii)	Tax deposited on income tax demands under contest	94.41	76.45
	<b>Current Tax Assets (Net)</b>	<b>228.24</b>	<b>210.28</b>
(i)	Provision for income tax net of Advance Tax	54.59	105.02
	<b>Current Tax Liabilities (Net)</b>	<b>54.59</b>	<b>105.02</b>





8 Property, Plant and Equipment (PPE), Intangible Assets and Intangible assets under development

Particulars	Property, Plant and Equipment						Intangible Assets	Intangible assets under development
	Freehold Land	Buildings	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles		
<b>Gross Carrying Amount</b>								
Opening Balance as at 01.04.2022	3.38	24.92	28.03	28.93	18.61	0.13	104.00	10.38
Additions / Adjustments	-	-	7.48	9.86	3.55	-	20.89	-
Deductions / Adjustments	-	-	(3.58)	(5.63)	(2.93)	-	(12.14)	-
<b>Closing Balance as at 31.03.2023</b>	<b>3.38</b>	<b>24.92</b>	<b>31.93</b>	<b>33.16</b>	<b>19.23</b>	<b>0.13</b>	<b>112.75</b>	<b>10.38</b>
Additions / Adjustments	-	-	4.34	7.78	2.22	-	14.34	-
Deductions / Adjustments	-	-	(3.52)	(5.26)	(2.20)	-	(10.98)	-
<b>Closing Balance as at 31.12.2023</b>	<b>3.38</b>	<b>24.92</b>	<b>32.75</b>	<b>35.68</b>	<b>19.25</b>	<b>0.13</b>	<b>116.11</b>	<b>10.38</b>
<b>Accumulated Depreciation / Amortisation</b>								
Opening Balance as at 01.04.2022	-	13.57	18.17	17.10	10.39	0.05	59.28	10.25
For the period	-	0.60	7.53	8.03	2.33	0.03	18.52	0.09
On Assets Sold/Written off from books	-	-	(2.84)	(4.65)	(1.56)	-	(9.05)	-
<b>Closing Balance as at 31.03.2023</b>	<b>-</b>	<b>14.17</b>	<b>22.86</b>	<b>20.48</b>	<b>11.16</b>	<b>0.08</b>	<b>68.75</b>	<b>10.34</b>
For the period	-	0.39	4.40	5.95	1.58	0.01	12.33	0.01
On Assets Sold/Written off from books	-	-	(2.80)	(4.18)	(1.17)	-	(8.15)	-
<b>Closing Balance as at 31.12.2023</b>	<b>-</b>	<b>14.56</b>	<b>24.46</b>	<b>22.25</b>	<b>11.57</b>	<b>0.09</b>	<b>72.93</b>	<b>10.35</b>
<b>Net Carrying Amount</b>								
As at 31.03.2023	3.38	10.75	9.07	12.68	8.07	0.05	44.00	0.04
As at 31.12.2023	3.38	10.36	8.29	13.43	7.68	0.04	43.18	0.03

Movement of Property, Plant and Equipment (PPE), Intangible Assets and Intangible assets under development for period ended 31.12.2022

Particulars	Property, Plant and Equipment						Intangible Assets	Intangible assets under development
	Freehold Land	Buildings	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles		
<b>Gross Carrying Amount</b>								
Opening Balance as at 01.04.2022	3.38	24.92	28.03	28.93	18.61	0.13	104.00	10.38
Additions / Adjustments	-	-	5.72	5.12	2.24	-	13.08	-
Deductions / Adjustments	-	-	(1.82)	(3.09)	(2.11)	-	(7.02)	-
<b>Closing Balance as at 31.12.2022</b>	<b>3.38</b>	<b>24.92</b>	<b>31.93</b>	<b>30.96</b>	<b>18.74</b>	<b>0.13</b>	<b>110.06</b>	<b>10.38</b>
<b>Accumulated Depreciation / Amortisation</b>								
Opening Balance as at 01.04.2022	-	13.57	18.17	17.10	10.39	0.05	59.28	10.25
For the period	-	0.46	5.58	5.66	1.72	0.02	13.44	0.09
On Assets Sold/Written off from books	-	-	(1.38)	(3.31)	(1.13)	-	(5.82)	-
<b>Closing Balance as at 31.12.2022</b>	<b>-</b>	<b>14.03</b>	<b>22.37</b>	<b>19.45</b>	<b>10.98</b>	<b>0.07</b>	<b>66.90</b>	<b>10.34</b>
<b>Net Carrying Amount</b>								
As on 31.12.2022	3.38	10.89	9.56	11.51	7.76	0.06	43.16	0.04



9 Right-of-use Assets

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Opening Balance of Leasehold Land	34.40	34.85
(ii)	Additions	-	-
(iii)	Less: Depreciation*	(0.34)	(0.45)
	<b>Closing Balance of Leasehold Land</b>	<b>34.06</b>	<b>34.40</b>

\*As required by Ind AS 116 'Leases' depreciation expense on Right-of-Use assets is included under Depreciation, Amortization and Impairment line item in the Standalone Statement of Profit and Loss.

10 Other Non-Financial Assets

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Prepaid Expenses	11.07	4.51
(ii)	Deferred Employee Costs	52.90	48.68
(iii)	Advance towards Capital assets	495.06	382.70
(iv)	Others	124.55	120.12
	<b>Total Other Non-Financial Assets</b>	<b>683.58</b>	<b>556.01</b>

11 Debt Securities

The Company has categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	<b>Secured Bonds / Debenture</b>		
	- Infrastructure Bonds	38.51	38.51
	- Tax Free Bonds	7,485.57	8,259.12
	- 54EC Capital Gain Tax Exemption Bonds	8,397.55	6,599.69
	- Taxable Bonds	7,253.47	4,428.99
	<b>Sub-Total (i)</b>	<b>23,175.10</b>	<b>19,326.31</b>
(ii)	<b>Unsecured Bonds / Debenture</b>		
	- Taxable Bonds	215,137.62	195,743.80
	- Foreign Currency Notes	37,669.04	37,219.33
	<b>Sub-Total (ii)</b>	<b>252,806.66</b>	<b>232,963.13</b>
(iii)	<b>Total Principal Outstanding of Debt Securities (i+ii)</b>	<b>275,981.76</b>	<b>252,289.44</b>
(iv)	Interest accrued but not due on (iii) above	9,220.14	7,685.44
(v)	Unamortised Transaction Cost on (iii) above	(223.24)	(147.83)
	<b>Total Debt Securities (iii to v)</b>	<b>284,978.66</b>	<b>259,827.05</b>
	<b>Geography wise Debt Securities</b>		
(i)	Debt Securities in India	247,129.65	222,368.63
(ii)	Debt Securities outside India	37,849.01	37,458.42
	<b>Total Geography wise Debt Securities</b>	<b>284,978.66</b>	<b>259,827.05</b>





## 12 Borrowings (other than Debt Securities)

The Company has categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
<b>(A)</b>	<b>Secured Borrowings</b>		
(i)	Term Loans from Banks and Financial Institutions - Rupee Term Loans	8,342.50	13,476.25
	<b>Sub-Total (A)</b>	<b>8,342.50</b>	<b>13,476.25</b>
<b>(B)</b>	<b>Unsecured Borrowings</b>		
(i)	Term Loans from Banks and Financial Institutions - Foreign Currency Loans - Syndicated Foreign Currency Loans - Rupee Term Loans	6,989.25 27,526.78 57,354.04	6,615.95 20,719.21 48,841.65
(ii)	Term Loans From other Parties - Rupee Term Loans - NSSF	7,500.00	7,500.00
(iii)	Other Loans from Banks Working Capital Demand Loan / Overdraft / Cash Credit / Line of Credit	2,007.37	3,983.83
	<b>Sub-Total (B)</b>	<b>101,377.44</b>	<b>87,660.64</b>
<b>(C)</b>	<b>Total Principal Outstanding of Borrowings (other than Debt Securities) - (A+B)</b>	<b>109,719.94</b>	<b>101,136.89</b>
<b>(D)</b>	Interest accrued but not due on (C) above	334.16	392.31
<b>(E)</b>	Unamortised Transaction Cost on (C) above	(354.01)	(300.31)
	<b>Total Borrowings (other than Debt Securities) (C to E)</b>	<b>109,700.09</b>	<b>101,228.89</b>
	<b>Geography wise Borrowings</b>		
(i)	Borrowings in India	75,367.65	74,000.92
(ii)	Borrowings outside India	34,332.44	27,227.97
	<b>Total Geography wise Borrowings</b>	<b>109,700.09</b>	<b>101,228.89</b>

## 13 Subordinated Liabilities

The Company has categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
<b>(A)</b>	<b>Subordinated Liabilities (Unsecured)</b>		
(i)	Subordinated Bonds (Principal Outstanding)	8,411.50	9,211.50
(ii)	Interest accrued but not due on above	640.30	102.30
(iii)	Unamortised Transaction Cost on above	(1.54)	(1.96)
	<b>Total Subordinated Liabilities</b>	<b>9,050.26</b>	<b>9,311.84</b>
<b>(B)</b>	<b>Geography wise Subordinated Liabilities</b>		
(i)	Subordinated Bonds in India	9,050.26	9,311.84
(ii)	Subordinated Bonds outside India	-	-
	<b>Total Geography wise Subordinated Liabilities</b>	<b>9,050.26</b>	<b>9,311.84</b>



#### 14 Other Financial Liabilities

The Company has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Payable on account of Unsecured Government of India Serviced Bonds	5,133.75	5,038.21
(ii)	Advance received from Subsidiaries and Associates	178.87	177.16
(iii)	Unclaimed Dividends	5.20	5.63
(iv)	Unpaid - Bonds and Interest Accrued thereon		
	- Unclaimed Bonds	0.92	0.92
	- Unclaimed Interest on Bonds	72.47	71.78
(v)	Others		
	- Application Money Refundable on Bonds and interest accrued thereon	0.71	0.71
	- Lease Liability	8.81	8.81
	- Other liabilities	1,001.55	234.46
	<b>Total Other Financial Liabilities</b>	<b>6,402.28</b>	<b>5,537.68</b>

#### 15 Provisions

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	For Employee Benefits		
	- Gratuity	0.84	1.02
	- Leave Encashment	51.04	50.14
	- Economic Rehabilitation of Employees	8.51	7.82
	- Provision for Bonus / Incentive	37.73	43.26
	- Provision for Staff Welfare Expenses	23.19	21.55
(ii)	Impairment Loss Allowance - Letter of Comfort	52.35	50.93
(iii)	Provision for Unspent CSR Expense	133.08	148.93
	<b>Total Provisions</b>	<b>306.74</b>	<b>323.65</b>

#### 16 Other Non-Financial Liabilities

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Unamortised Fee - Undisbursed Loan Assets	249.02	189.15
(ii)	Statutory dues payable	49.30	28.63
(iii)	Sundry Liabilities Account (Interest Capitalisation)	76.85	26.27
(iv)	Others	32.76	28.33
	<b>Total Other Non-Financial Liabilities</b>	<b>407.93</b>	<b>272.38</b>





17 Equity Share Capital

Sr. No.	Particulars	As at 31.12.2023		As at 31.03.2023	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	<b>Authorised Capital</b>				
	Equity Share Capital (Par Value per share ₹10)	11,000,000,000	11,000.00	11,000,000,000	11,000.00
	Preference Share Capital (Par Value per share ₹10)	200,000,000	200.00	200,000,000	200.00
(B)	<b>Issued, Subscribed and Fully Paid-up Capital</b>				
	Equity Share Capital (Par Value per share ₹10)	3,300,101,760	3,300.10	2,640,081,408	2,640.08
(C)	<b>Reconciliation of Equity Share Capital</b>				
	Opening Equity Share Capital	2,640,081,408	2,640.08	2,640,081,408	2,640.08
	Changes during the period	660,020,352	660.02	-	-
	<b>Closing Equity Share Capital</b>	<b>3,300,101,760</b>	<b>3,300.10</b>	<b>2,640,081,408</b>	<b>2,640.08</b>

18 Other Equity

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Securities Premium	2,116.14	2,776.54
(ii)	Foreign Currency Monetary Item Translation Difference Account	(422.52)	(467.57)
(iii)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	10,605.54	8,559.23
(iv)	Reserve for Bad & doubtful debts u/s 36(1)(viii)(c) of Income-Tax Act, 1961	1,019.17	529.39
(v)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	599.85	599.85
(vi)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	28,537.96	26,511.31
(vii)	Interest Differential Reserve - KFW Loan	67.18	64.97
(viii)	General Reserve	14,720.80	14,691.55
(ix)	Retained Earnings	15,651.74	12,648.64
(x)	Reserve for Equity Instruments through Other Comprehensive Income	978.95	55.54
(xi)	Reserve for Effective portion of Cash Flow Hedges	335.83	492.20
(xii)	Cost of Hedging Reserve	(730.83)	(899.50)
	<b>Total Other Equity</b>	<b>73,479.81</b>	<b>65,562.15</b>



19 Interest Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
<b>(A)</b>	<b>On Financial Assets measured at Amortised Cost</b>		
(i)	Interest on Loans	32,103.39	28,087.51
	Less : Rebate for Timely Payment to Borrowers	(192.52)	(222.29)
(ii)	Interest on Deposits with Banks	130.43	97.88
(iii)	Interest on Investment	69.91	32.81
(iv)	Other Interest Income	25.01	21.83
	<b>Subtotal (A)</b>	<b>32,136.22</b>	<b>28,017.74</b>
<b>(B)</b>	<b>On Financial Assets Classified at Fair Value Through Profit or Loss</b>		
(i)	Interest on Investment	5.66	7.35
(ii)	Other Income	5.53	3.54
	<b>Subtotal (B)</b>	<b>11.19</b>	<b>10.89</b>
	<b>Total Interest Income ((A)+(B))</b>	<b>32,147.41</b>	<b>28,028.63</b>

20 Fees and Commission Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Prepayment Premium on Loans	1.28	66.08
(ii)	Fee based Income on Loans	48.73	81.07
(iii)	Fee for implementation of GoI Schemes	-	25.81
	<b>Total Fees and Commission Income</b>	<b>50.01</b>	<b>172.96</b>

21 Other Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Miscellaneous Income	6.23	12.54
	<b>Total Other Income</b>	<b>6.23</b>	<b>12.54</b>





## 22 Finance Costs

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
	<b>On Financial Liabilities Measured At Amortised Cost</b>		
(i)	<b>Interest on Borrowings</b>		
	- Term Loans and Others	5,078.04	3,716.04
	- Interest on Lease Liability	0.58	0.58
(ii)	<b>Interest on Debt Securities</b>		
	- Bonds / Debentures	14,281.28	12,132.73
	- Commercial Papers	34.00	-
(iii)	<b>Interest on Subordinated Liabilities</b>	603.94	641.10
(iv)	<b>Other Interest Expense</b>		
	- Interest on advances received from Subsidiaries	4.36	3.29
	- Interest expense on variation margin	4.95	-
(v)	<b>Swap Premium ( Net )</b>	750.19	648.12
	<b>Total Finance Costs</b>	<b>20,757.34</b>	<b>17,141.86</b>

## 23 Fees and Commission Expense

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Agency Fees	2.68	1.11
(ii)	Guarantee, Listing and Trusteeship fees	1.84	1.95
(iii)	Credit Rating Fees	2.17	4.98
(iv)	Other Finance Charges	6.27	(0.15)
	<b>Total Fees and Commission Expense</b>	<b>12.96</b>	<b>7.89</b>

## 24 Net Loss / (Gain) on Fair Value changes

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
	<b>On financial instruments at Fair value through Profit or Loss:</b>		
(i)	- Change in Fair Value of Derivatives	213.09	187.88
(ii)	- Change in Fair Value of Investments	(142.25)	29.28
	<b>Total Net Loss / (Gain) on Fair Value changes</b>	<b>70.84</b>	<b>217.16</b>



## 25 Impairment on Financial Instruments

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
<b>A</b>	<b>On Financial Assets measured at Amortised Cost:</b>		
(i)	Loans*	161.39	174.92
(iii)	Other Financial Assets	3.07	(8.13)
(iv)	Letter of Comfort	1.41	(25.31)
<b>B</b>	<b>On Financial Assets measured at Cost</b>		
(i)	Investment	-	(0.15)
<b>C</b>	<b>On Financial Assets measured through P&amp;L</b>		
(i)	Write Off - Investments*	-	56.66
	<b>Total Impairment on Financial Instruments</b>	<b>165.87</b>	<b>197.99</b>

\* including write off of loans and investment acquired under loan settlement of ₹ 29.25 crore (previous year ₹ 957.91 crore) and corresponding reversal of impairment loss allowance of ₹ 550.50 crore (previous year ₹ 2,700.33 crore).

## 26 Employee Benefit Expenses

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Salaries and Wages	119.83	117.46
(ii)	Contribution to Provident and other Funds/ Schemes	18.46	13.83
(iii)	Staff Welfare Expenses	37.56	28.58
(iv)	Rent for Residential Accommodation of Employees	9.26	6.11
	<b>Total Employee Benefit Expenses</b>	<b>185.11</b>	<b>165.98</b>

## 27 Other Expenses

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Rent, Taxes and Energy Cost	6.37	6.38
(ii)	Repairs and Maintenance	5.29	4.00
(iii)	Communication Costs	1.05	1.03
(iv)	Printing and Stationery	1.00	1.12
(v)	Advertisement and Publicity	10.15	8.09
(vi)	Directors Fees, Allowance and Expenses	0.26	0.32
(vii)	Auditor's fees and expenses	0.68	0.49
(viii)	Legal & Professional charges	17.90	10.45
(ix)	Insurance	0.42	0.21
(x)	Travelling and Conveyance	16.30	14.04
(xi)	Net Loss / (Gain) on sale/derecognition of PPE	2.68	2.03
(xii)	Govt. scheme monitoring expense	5.84	-
(xiii)	Conference and Meeting Expenses	5.61	4.62
(xiv)	Security Expenses	2.18	2.71
(xv)	Other Expenditure	29.07	24.28
	<b>Total Other Expenses</b>	<b>104.80</b>	<b>79.77</b>





## Significant Accounting Policies

The significant accounting policies applied in preparation of the Standalone Financial Statements are as given below:

### 1.1 Basis of Preparation and Measurement

These Standalone Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 1.2 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.3 Derivative Financial Instruments

- (i) The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.
- (ii) Under hedge accounting, an entity can designate derivative contracts either as cash flow hedge or fair value hedge. The Company designates certain derivative contracts as cash flow hedges.
- (iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:
  - There is an economic relationship between the hedged item and the hedging instrument.
  - The effect of credit risk does not dominate the value changes that result from that economic relationship.
  - The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.
- (iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognized in 'Effective Portion of Cash Flow Hedges'. The amounts recognized in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognized in 'Cost of Hedging Reserve'. The amounts recognized in such reserve are amortized to the



Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognized immediately in Statement of Profit and Loss.

- (v) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.
- (vi) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss.

#### 1.4 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Statement of Profit and Loss.

##### 1.4.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

- (i) Classification and Measurement of Financial Assets (other than Equity instruments)

##### a) Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

##### Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The company while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.





Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain / loss measured using the previous EIR as calculated before the modification, is recognised in the Statement of Profit and Loss in period during which such renegotiations occur.

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Company's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company is in the business of lending loans across power sector value chain and such loans are managed to realize the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Company to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company transfers the cumulative gain/loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets



Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Balance Sheet.

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Company again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Company measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

(iv) De-recognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in Equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

#### 1.4.2 Financial Liabilities

- (i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- (ii) Financial guarantee





A financial guarantee issued by the Company is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Statement of Profit and Loss.

(iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Statement of Profit and Loss.

### 1.5 Investment in Subsidiaries, Joint Ventures and Associates

Investment in equity shares of subsidiaries, joint ventures and associates are accounted at cost, less impairment if any.

### 1.6 Property, Plant and Equipment (PPE) and Depreciation

- Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realizable value.
- In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received / approved, subject to necessary adjustment in the year of final settlement.
- Cost of replacing part of an item of PPE is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Maintenance or servicing costs of PPE are recognized in Statement of Profit and Loss as incurred.
- Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.
- Depreciation is recognised so as to write-off the cost of assets less their residual values as per written down value method, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except for cell phones where useful life has been estimated by the Company as 2 years. Residual value is estimated as 5% of the original cost of PPE.
- Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.
- An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.
- Items of PPE costing up to ₹ 5000/- each are fully depreciated, in the year of purchase.

### 1.7 Intangible Assets and Amortisation



- (i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.
- (ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use.
- (iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Company as 5 years.
- (iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

### 1.8 Provisions, Contingent Liabilities and Contingent Assets

- (i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- (ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
- (iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- (iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.
- (v) Contingent assets are not recognised in the financial statements. However, contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

### 1.9 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when currently there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

### 1.10 Recognition of Income and Expenditure

- (i) Interest income, on financial assets subsequently measured at amortised cost, is recognized using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.
- (ii) Interest on financial assets subsequently measured at fair value through profit and loss(FVTPL), is recognized on accrual basis in accordance with the terms of the respective contract and disclosed separately under the head 'Interest Income'





- (iii) Rebate on account of timely payment of dues by borrowers is recognized on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.
- (iv) Income from services rendered is recognized based on the terms of agreements / arrangements with reference to the stage of completion of contract at the reporting date.
- (v) Dividend income from investments including those measured at FVTPL, is recognized in Statement of Profit and Loss under the head 'Dividend Income' when the Company's right to receive dividend is established and the amount of dividend can be measured reliably.
- (vi) Interest expense on financial liabilities subsequently measured at amortised cost is recognized using Effective Interest Rate (EIR) method.
- (vii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.
- (viii) A Prepaid expense up to ₹ 1,00,000/- is recognized as expense upon initial recognition in the Statement of Profit and Loss.

#### 1.11 Expenditure on issue of shares

Expenditure on issue of shares is charged to the securities premium account.

#### 1.12 Employee Benefits

- (i) Defined Contribution Plan

Company's contribution paid / payable during the reporting period towards provident fund and pension are charged in the Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

- (ii) Defined Benefit Plan

The Company's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit, and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain / loss on re-measurement of gratuity and other post-employment defined benefit plans are recognized in Other Comprehensive Income (OCI). Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment.

- (iii) Other long term employee benefits

The Company's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognised in the Statement of Profit and Loss.

- (iv) Short term employee benefits

Short term employee benefits such as salaries and wages are recognised in the Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.



(v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the Loan on a prospective basis.

### 1.13 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets / liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 1.14 Leases

For recognition, measurement and presentation of lease contracts, the Company applies the principles of Ind AS 116 'Leases'.

(i) The Company as a lessee

The Company at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (a) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Company has the right to direct the use of the identified asset.

The Company at inception of a lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.





Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the company's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Company in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of lease at the reporting date.

### 1.15 Foreign Currency Transactions and Translations

The functional currency of the Company is Indian Rupees. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the financial statements before 1 April 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term monetary item.

### 1.16 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.



Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

#### 1.17 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

#### 1.18 Dividends

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

#### 1.19 Earnings Per Share

Basic earnings per equity share is calculated by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.





**Summarised Notes to Unaudited Standalone Interim Financial Statements:**

<b>1</b>	<p>These Unaudited Standalone Interim Financial Statements (Statements) for the nine months ended 31.12.2023 have been reviewed &amp; recommended by the Audit Committee and subsequently approved and taken on record by the Board of Directors of the Company (the Board) in their respective meetings held on 08.02.2024. The Joint Statutory Auditors of the company for the FY 2023-24, Prem Gupta &amp; Company, Chartered Accountants and Chokshi &amp; Chokshi LLP, Chartered Accountants have conducted limited review of these Statements in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant of India.</p>																																						
<b>2</b>	<p>These Statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.</p>																																						
<b>3</b>	<p>a) The Board of Directors of the Company in their meeting held on 08.02.2024 declared second interim dividend @ 35% on the paid up equity share capital i.e. ₹ 3.50 per equity share of ₹ 10 /- each for the FY 2023-24. Further, the Company had earlier paid ₹ 4.50 as first interim dividend for the FY 2023-24.</p> <p>(b) Pursuant to the approval of the shareholders in the Annual General Meeting held on 12.09.2023, the company has issued 66,00,20,352 equity shares of ₹ 10/- each as fully paid-up bonus shares in the ratio of one bonus equity share for every four existing fully paid-up equity shares outstanding on the record date i.e. 21.09.2023. As a result of this, the paid-up equity share capital of the Company has increased from ₹ 2,640.08 crore (2,64,00,81,408 equity shares of ₹ 10/- each) to ₹ 3,300.10 crore (3,30,01,01,760 equity shares of ₹ 10/- each).</p> <p>Accordingly, EPS (basic and diluted) has been restated for all comparative periods and presented as per Ind AS-33- 'Earnings Per Share'.</p>																																						
<b>4</b>	<p>The Company recognises impairment loss allowance on loan assets in accordance with the Board approved Expected Credit Loss (ECL) policy and report provided by independent agency, appointed by the Company for assessment of ECL as per Ind AS 109 'Financial Instruments'. Details in this regard are given below:</p> <p style="text-align: right;">(₹ in crore)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">S. No.</th> <th rowspan="2">Particulars</th> <th colspan="3">As on 31.12.2023</th> <th colspan="3">As on 31.03.2023</th> </tr> <tr> <th>Stage 1 &amp; 2</th> <th>Stage 3</th> <th>Total</th> <th>Stage 1 &amp; 2</th> <th>Stage 3</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td>Loan Outstanding</td> <td>4,40,953.62</td> <td>16,073.22</td> <td>4,57,026.84</td> <td>4,05,996.08</td> <td>16,501.65</td> <td>4,22,497.73</td> </tr> <tr> <td>b)</td> <td>Impairment Loss Allowance maintained*</td> <td>4,246.63</td> <td>11,962.53</td> <td>16,209.16</td> <td>4,076.22</td> <td>11,999.38</td> <td>16,075.60</td> </tr> <tr> <td>c)</td> <td>Impairment Loss Allowance Coverage (%) (b/a)</td> <td>0.96%</td> <td>74.43%</td> <td>3.55%</td> <td>1.00%</td> <td>72.72%</td> <td>3.80%</td> </tr> </tbody> </table> <p>*including impairment loss allowance on Letter of Comfort of ₹ 52.35 crore (as at 31.03.2023 ₹ 50.93 crore).</p>	S. No.	Particulars	As on 31.12.2023			As on 31.03.2023			Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total	a)	Loan Outstanding	4,40,953.62	16,073.22	4,57,026.84	4,05,996.08	16,501.65	4,22,497.73	b)	Impairment Loss Allowance maintained*	4,246.63	11,962.53	16,209.16	4,076.22	11,999.38	16,075.60	c)	Impairment Loss Allowance Coverage (%) (b/a)	0.96%	74.43%	3.55%	1.00%	72.72%	3.80%
S. No.	Particulars			As on 31.12.2023			As on 31.03.2023																																
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c)	Impairment Loss Allowance Coverage (%) (b/a)	0.96%	74.43%	3.55%	1.00%	72.72%	3.80%																																
<b>5</b>	<p>As a matter of prudence, income on credit impaired loans is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.</p>																																						



6	As on December 31, 2023, Company has maintained the required High Quality Liquid Assets (HQLA) in the form of Govt. Securities, Corporate bonds, marketable securities including callable / demand fixed deposits (FD) with scheduled commercial banks. RBI vide its order dated February 6, 2024 has treated callable / demand fixed deposits (FD) with scheduled commercial banks as ineligible security for the purpose of HQLA. The company has informed Stock exchanges (BSE/NSE) about the said order vide its letter dated February 7, 2024.
7	The Company's operations comprise of only one business segment - lending to power, logistics and infrastructure sector. Hence, there is no other reportable business / geographical segment as per Ind AS 108- 'Operating Segments'.
8	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable with the current period.
9	Capital Risk Adjusted Ratio (CRAR) of the Company as at 31.12.2023 is 26.86 % comprising of Tier I Capital of 24.28 % and Tier II Capital of 2.58%.

Place: New Delhi  
Date: 08.02.2024

*Chopra*  
**Parminder Chopra**  
Chairman & Managing Director  
DIN - 08530587





**Independent Auditor's Review Report on unaudited consolidated interim financial statements for the Nine months ended 31<sup>st</sup> December, 2023 of the Company**

**To the Board of Directors of  
Power Finance Corporation Limited**

1. We have reviewed the accompanying unaudited consolidated interim financial statements of Power Finance Corporation Limited (the 'Company/Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> December, 2023, Consolidated Statement of Profit & (Loss), Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity for the nine months ended 31<sup>st</sup> December, 2023 and Significant Accounting Policies & Summarised Notes to Accounts thereon.
2. These unaudited consolidated interim financial statements, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors in its meeting held on 8<sup>th</sup> February, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ('Ind AS 34') "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the unaudited consolidated interim financial statements based on our review.
3. We conducted our review of the unaudited consolidated interim financial statements in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Consolidated Interim Financial Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. The Consolidated Interim Financial Statement includes the unaudited financial statements of the following entities:

Parent	
1.	Power Finance Corporation Limited
Subsidiaries:	
1.	REC Limited*
2.	PFC Consulting Limited*
3.	PFC Projects Limited (previously known as Coastal Karnataka Power Limited) **



Associates:	
1.	Orissa Integrated Power Limited
2.	Coastal Tamil Nadu Power Limited
3.	Deoghar Infra Limited
4.	Bihar Infrapower Limited
5.	Sakhigopal Integrated Power Company Limited
6.	Ghogarpalli Integrated Power Company Limited
7.	Deoghar Mega Power Limited
8.	Cheyur Infra Limited
9.	Odisha Infrapower Limited
10.	Bihar Mega Power Limited
11.	Jharkhand Infrapower Limited

\*Consolidated financial results considered for consolidation

\*\* Standalone financial results considered for consolidation

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the audit report of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying unaudited consolidated interim financial statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### Other Matters

6. We did not review the unaudited interim financial statements of a subsidiary included in the unaudited consolidated interim financial statements, whose interim financial statements reflect Group's share of total assets of ₹ 5,34,845.67 crores as at 31st December, 2023, Group's share of total revenues of ₹ 34,525.81 crores, total net profit after tax of ₹ 10,066.37 crores, total comprehensive income (net of tax) of ₹ 9,943.90 crores and cash flows (net) of ₹ 1,553.30 crores for the nine months ended 31st December, 2023 as considered in the unaudited consolidated interim financial statements. These interim financial statements have been reviewed by other independent auditors whose report has been furnished to us by the Management and our conclusion on the consolidated interim financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the review report of the other auditors and the procedures performed by us as stated in paragraph 3 above.
7. The unaudited consolidated interim financial statements include the interim financial statements of two other subsidiaries which have not been reviewed, which reflect Group's share of total assets of ₹ 456.69 crores as at 31st December, 2023, Group's share of total revenues of ₹ 227.36 crores, total net profit after tax, total comprehensive income of ₹ 142.58 crores and cash flows (net) of ₹ 121.30 crores for the nine months ended 31st December, 2023 as considered in the unaudited consolidated interim financial statements.





The unaudited consolidated interim financial statements also include the unaudited financial statements in respect of associates referred to in paragraph 4 above, which reflects Group's share of net profit after tax of ₹ Nil crore and total comprehensive income of ₹ Nil crore for the nine months ended 31st December, 2023, based on their interim financial statements which have not been reviewed. These unaudited Financial Statements/ financial information have been furnished to us by the Board of Directors and our conclusion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these two subsidiaries and eleven associates is based solely on such unaudited interim Financial Statements/ financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these unaudited interim Financial Statements/ financial information are not material to the Group.

8. As per past practice, in respect of loan assets and undisbursed letter of comfort, the Parent Company and its Subsidiary, REC Limited have provided expected credit loss (ECL) as required under Ind AS 109 based on the ECL report submitted by an independent expert appointed by the Group, which inter-alia includes assumptions based on technical parameters/certain aspects.
9. The Consolidated Financial Results of the company for the corresponding nine months ended 31st December, 2022 were reviewed by the joint statutory auditors of the company, one of whom was predecessor audit firm, and they had expressed unmodified conclusions vide their review report dated 13th February, 2023 on such financial results. Also, the Consolidated Financial Information of the company for the year ended 31st March, 2023 included in these unaudited Consolidated Interim Financial Statements, were audited by the Joint Statutory Auditors of the company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Consolidated Financial Statements vide their audit report dated 27th May, 2023.
10. This report has been issued at the request of the company for the purpose of raising of foreign currency bonds and hence the same should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our conclusion on the unaudited Consolidated Interim Financial Statements is not modified in respect of the above matters as per paragraph 6 to 10.

**FOR PREM GUPTA & COMPANY**  
Chartered Accountants  
Firm's Registration No.: 000425N

*Meenakshi*

**CA MEENAKSHI BANSAL**  
Partner

Membership No. 520318  
UDIN: 24520318BKDFCE7968



**FOR CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
Firm's Registration No.:101872W/W100045

*M.K. Saraogi*

**CA M.K.SARAOGI**  
Partner

Membership No. 054106  
UDIN: 24054106BKERFR9794



**Place: New Delhi**

**Date: 8<sup>th</sup> February, 2024**

**Power Finance Corporation Limited**  
**Consolidated Balance Sheet as at December 31, 2023**

(₹ in crore)

Sr. No.	Particulars	Note No.	As at	As at
			31.12.2023	31.03.2023
			(Un-Audited)	(Audited)
<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and Cash Equivalents	1	9,572.99	1,600.85
(b)	Bank Balance other than included in Cash and Cash Equivalents	2	1,236.19	2,500.17
(c)	Derivative Financial Instruments	3	15,521.37	13,785.01
(d)	Trade Receivables	4	206.65	171.17
(e)	Loans	5	933,587.06	832,903.36
(f)	Investments (Other than accounted for using equity method)	6A	8,944.36	5,972.89
(g)	Other Financial Assets	7	30,464.45	29,832.08
<b>Total Financial Assets (1)</b>			<b>999,533.07</b>	<b>886,765.53</b>
<b>2</b>	<b>Non- Financial Assets</b>			
(a)	Current Tax Assets (Net)	8	595.00	543.08
(b)	Deferred Tax Assets (Net)		6,816.20	7,340.03
(c)	Property, Plant and Equipment	9	725.83	737.66
(d)	Capital Work-in-Progress	9	14.84	10.66
(e)	Intangible Assets under development	9	11.20	11.20
(f)	Other Intangible Assets	9	0.65	1.67
(g)	Right of Use Assets	10	40.83	42.97
(h)	Other Non-Financial Assets	11	875.66	641.14
(i)	Investments accounted for using equity method	6B	0.51	0.51
<b>Total Non- Financial Assets (2)</b>			<b>9,080.72</b>	<b>9,328.92</b>
<b>3</b>	<b>Assets Classified as held for sale</b>	12	17.49	17.41
<b>Total Assets (1+2+3)</b>			<b>1,008,631.28</b>	<b>896,111.86</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative Financial Instruments	3	1,677.81	1,001.27
(b)	Trade Payables	13		
	(i) Total outstanding dues of Micro, Small and Medium Enterprises		0.08	0.67
	(ii) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		71.93	50.19
(c)	Debt Securities	14	546,742.78	496,729.38
(d)	Borrowings (other than Debt Securities)	15	283,651.73	238,343.00
(e)	Subordinated Liabilities	16	13,363.15	16,085.14
(f)	Other Financial Liabilities	17	34,135.49	30,964.67
<b>Total Financial Liabilities (1)</b>			<b>879,642.97</b>	<b>783,174.32</b>
<b>2</b>	<b>Non- Financial Liabilities</b>			
(a)	Current Tax Liabilities (Net)	8	63.35	133.34
(b)	Provisions	18	423.55	438.11
(c)	Other Non-Financial Liabilities	19	660.88	384.79
<b>Total Non- Financial Liabilities (2)</b>			<b>1,147.78</b>	<b>956.24</b>
<b>3</b>	<b>Liabilities directly associated with assets classified as held for sale</b>	12	-	0.02
<b>Total Liabilities (1+2+3)</b>			<b>880,790.75</b>	<b>784,130.58</b>
<b>4</b>	<b>Equity</b>			
(a)	Equity Share Capital	20	3,300.10	2,640.08
(b)	Other Equity	21	93,321.14	81,518.41
<b>Equity attributable to owners of the Company (a+b)</b>			<b>96,621.24</b>	<b>84,158.49</b>
(c)	Non-Controlling Interest	22	31,219.29	27,822.79
<b>Total Equity (4)</b>			<b>127,840.53</b>	<b>111,981.28</b>
<b>Total Liabilities and Equity (1+2+3+4)</b>			<b>1,008,631.28</b>	<b>896,111.86</b>

Significant Accounting Policies and Notes annexed hereto form an integral part of Interim Financial Statements

Place : New Delhi  
Date : 08.02.2024

  
(Parminder Chopra)  
Chairman and Managing Director  
DIN - 08530587





**Power Finance Corporation Limited**  
**Consolidated Statement of Profit and Loss for the Nine Months ended December 31, 2023**

(₹ in crore)

Sr. No.	Particulars	Note No.	Nine Months ended	Nine Months ended
			31.12.2023	31.12.2022
			(Un-Audited)	(Un-Audited)
	<b>Revenue from Operations</b>			
(i)	Interest Income	23	66,194.21	56,878.66
(ii)	Dividend Income		43.26	71.58
(iii)	Fees and Commission Income	24	193.67	325.64
(iv)	Other Operating Income	25	524.18	231.56
<b>I.</b>	<b>Total Revenue from Operations</b>		<b>66,955.32</b>	<b>57,507.44</b>
<b>II.</b>	<b>Other Income</b>	26	43.21	43.64
<b>III.</b>	<b>Total Income (I+II)</b>		<b>66,998.53</b>	<b>57,551.08</b>
	<b>Expenses</b>			
(i)	Finance Costs	27	42,809.90	34,379.65
(ii)	Net Translation / Transaction Exchange Loss / (Gain)		(34.16)	2,828.43
(iii)	Fees and Commission Expense	28	28.34	19.24
(iv)	Net Loss / (Gain) on Fair Value changes	29	(267.91)	141.08
(v)	Impairment on Financial Instruments	30	(480.09)	649.79
(vi)	Cost of Services Rendered		182.56	40.96
(vii)	Employee Benefit Expenses	31	369.20	352.09
(viii)	Depreciation, Amortisation and Impairment	9/10	38.55	37.56
(ix)	Corporate Social Responsibility Expenses		144.26	197.97
(x)	Other Expenses	32	216.76	170.07
<b>IV.</b>	<b>Total Expenses</b>		<b>43,007.41</b>	<b>38,816.84</b>
<b>V.</b>	<b>Share of Profit / (Loss) in Joint Venture and Associates</b>		-	0.01
<b>VI.</b>	<b>Profit/(Loss) Before Exceptional Items and Tax (III-IV+V)</b>		<b>23,991.12</b>	<b>18,734.25</b>
<b>VII.</b>	<b>Exceptional Items</b>		-	-
<b>VIII.</b>	<b>Profit/(Loss) Before Tax (V-VI)</b>		<b>23,991.12</b>	<b>18,734.25</b>
	<b>Tax Expense:</b>			
	(1) Current Tax			
	- Current Year		4,663.61	3,793.56
	- Earlier Years		1.43	(198.28)
	(2) Deferred Tax Expense / (Income)		421.33	89.01
<b>IX.</b>	<b>Total Tax Expense</b>		<b>5,086.37</b>	<b>3,684.29</b>
<b>X.</b>	<b>Profit/(Loss) for the period from Continuing Operations (VIII-IX)</b>		<b>18,904.75</b>	<b>15,049.96</b>
<b>XI.</b>	<b>Profit/(Loss) From Discontinued Operations (After Tax)</b>		-	-
<b>XII.</b>	<b>Profit/(Loss) for the period (from continuing and discontinued operations)</b>		<b>18,904.75</b>	<b>15,049.96</b>
<b>XIII.</b>	<b>Other Comprehensive Income</b>			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		2.37	(6.17)
	- Net Gain / (Loss) on Fair Value of Equity Instruments		1,154.71	156.08
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(0.57)	1.64
	- Re-measurement of Defined Benefit Plans		(153.83)	(4.38)
	- Net Gain / (Loss) on Fair Value of Equity Instruments			
	<b>Sub-Total (A)</b>		<b>1,002.68</b>	<b>147.17</b>
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		(953.56)	1,065.43
	- Cost of Hedging Reserve		752.29	(3,904.58)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss		239.99	(268.14)
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		(189.34)	982.70
	- Cost of Hedging Reserve			
	<b>Sub-Total (B)</b>		<b>(150.62)</b>	<b>(2,124.59)</b>
	<b>Other Comprehensive Income (A+B)</b>		<b>852.06</b>	<b>(1,977.42)</b>
<b>XIV.</b>	<b>Total Comprehensive Income for the period (XII+XIII)</b>		<b>19,756.81</b>	<b>13,072.54</b>
	<b>Profit for the period attributable to:</b>			
	- Owners of the Company		14,136.80	11,212.62
	- Non-Controlling Interest		4,767.95	3,837.34
			<b>18,904.75</b>	<b>15,049.96</b>
	<b>Other Comprehensive Income for the period</b>			
	- Owners of the Company		910.06	(1,212.51)
	- Non-Controlling Interest		(58.00)	(764.91)
			<b>852.06</b>	<b>(1,977.42)</b>
	<b>Total Comprehensive Income for the period</b>			
	- Owners of the Company		15,046.86	10,000.11
	- Non-Controlling Interest		4,709.95	3,072.43
			<b>19,756.81</b>	<b>13,072.54</b>
<b>XV.</b>	<b>Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):</b>			
	(1) For continuing operations (in ₹)		42.84	33.98
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		42.84	33.98

EPS for the Nine Months is not annualised. Also, refer Note 4(b) of summarized notes.

Place : New Delhi  
Date : 08.02.2024

*(Signature)*  
(Parminder Chopra)  
Chairman and Managing Director  
DIN - 08530587



Power Finance Corporation Limited  
Consolidated Statement of Changes in Equity for the Nine Months ended December 31, 2023

A. Equity Share Capital

Particulars	Opening Balance	Changes during the period	Closing Balance
Issued, Subscribed and fully paid up:			
Period ended December 31, 2022	2,640.08	-	2,640.08
Period ended December 31, 2023	2,640.08	660.02	3,300.10

B. Other Equity

Particulars	Reserves and surplus										Attributable to owners of the parent		Non-Controlling Interest		Total	
	Capital Reserve - Common Control	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viii)(c) of Income-Tax Act, 1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KPW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve	towards Equity Share Holders		towards Instruments Entirely Equity in Nature
<b>Balance as at 31.03.2023</b>	(13,114.50)	12,783.26	529.39	599.85	39,658.38	3,606.87	(883.61)	64.97	21,026.85	18,236.28	2.12	808.03	(1,799.49)	27,264.39	558.40	109,341.20
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	14,136.80	-	-	-	4,767.95	-	18,904.75
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	0.10	-	-	-	1.70	-	1.80
Reclassification of gain / (loss) on sale / extinguishment of FVOCI equity instrument	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	983.41	(449.65)	376.20	(59.70)	-	850.26
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	-	-	-	<b>14,136.90</b>	<b>983.41</b>	<b>(449.65)</b>	<b>376.20</b>	<b>4,709.95</b>	-	<b>19,756.81</b>
Dividends	-	-	-	-	-	-	-	-	-	(2,673.09)	-	-	-	(1,353.25)	-	(4,026.34)
Transfer to / from Retained Earnings	-	-	787.51	-	3,192.70	-	-	-	-	(7,080.12)	-	-	-	-	-	-
Transfer to / from General Reserve	-	3,099.91	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilisation of reserve against bad debts written off	-	-	(29.25)	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	(2.97)	-	37.62	-	89.28	2.21	-	(36.86)	-	-	-	39.80	-	129.08
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	43.26	(43.26)	-	-	-	-	-
Adjustment related to Bonus issue of REC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilised for issue of Bonus Equity Shares	-	-	-	-	-	(660.02)	-	-	-	-	-	-	-	-	-	(660.02)
Expenses incurred on issue of Bonus Equity shares	-	-	-	-	-	(0.38)	-	-	-	-	-	-	-	-	-	(0.38)
Other Adjustments	-	-	-	-	-	-	-	-	-	0.08	-	-	-	-	-	0.08
<b>Balance as at 31.12.2023</b>	(13,114.50)	15,883.17	1,284.68	599.85	42,888.70	2,946.47	(794.33)	67.18	21,056.10	22,626.45	942.27	358.38	(1,423.29)	30,660.89	558.40	124,540.43





Particulars	Reserves and surplus										Other Comprehensive Income		Attributable to owners of the parent		Non-controlling Interest		Total
	Capital Reserve - Common Control	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viii)(c) of Income-Tax Act, 1961	Special Reserve created u/s 36(1)(viii)(c) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created u/s maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive income	Effective portion of Cash Flow Hedges	Costs of Hedging Reserve	Equity Share Holders	towards Equity Instruments Entirely Equity in Nature		
<b>Balance as at 31.03.2022</b>	(13,461.00)	9,298.33	680.04	599.85	35,878.11	3,953.74	(806.07)	64.07	20,346.81	12,757.10	(74.23)	302.56	(503.16)	69,036.16	24,040.51	558.40	93,635.07
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	11,212.62	-	-	-	11,212.62	3,837.34	-	15,049.96
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(3.69)	-	-	-	(3.69)	(0.84)	-	(4.53)
Reclassification of gain / (loss) on sale / extinguishment of FVOCI equity instrument	-	-	-	-	-	-	-	-	-	0.00	172.87	627.38	(2,009.07)	(1,208.82)	(764.08)	-	(1,972.90)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	0.00	172.87	627.38	(2,009.07)	(1,208.82)	(764.08)	-	(1,972.90)
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	-	-	-	<b>11,208.93</b>	<b>172.87</b>	<b>627.38</b>	<b>(2,009.07)</b>	<b>10,000.11</b>	<b>3,072.42</b>	-	<b>13,072.53</b>
Dividends	-	-	-	-	-	-	-	-	-	(1,716.04)	-	-	-	(1,716.04)	(1,072.62)	-	(2,788.66)
Transfer to / from Retained Earnings	-	2,470.67	419.49	-	2,743.54	-	-	-	-	(5,633.70)	-	-	-	(0.00)	-	-	(0.00)
Transfer to / from General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilisation of reserve against bad debts written off	-	-	(680.04)	-	-	-	-	-	680.04	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	(60.71)	-	8.84	-	(263.83)	1.32	-	50.55	-	-	-	(263.83)	(151.23)	-	(415.06)
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	45.04	(45.04)	-	-	-	-	-	-
Adjustment related to Bonus issue of REC	346.50	-	-	-	-	(346.87)	-	-	-	-	-	-	-	(0.37)	(0.34)	-	(0.71)
Other Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.12.2022</b>	(13,114.50)	11,769.00	358.78	599.85	38,630.49	3,606.87	(1,069.90)	65.39	21,026.85	16,711.88	53.60	929.94	(2,512.23)	77,056.02	25,888.75	558.40	103,503.17

Place : New Delhi  
Date : 08.02.2024

  
(Parulinder Chopra)  
Chairman and Managing Director  
DIN - 08530587



**Power Finance Corporation Limited**  
**Consolidated Statement of Cash Flows for Nine Months ended December 31, 2023**

(₹ in crore)

Sr. No.	Description	Nine Months ended 31.12.2023		Nine Months ended 31.12.2022	
		(Un-Audited)		(Un-Audited)	
<b>I.</b>	<b>Cash Flow from Operating Activities :</b>				
	<b>Profit before Tax</b>	<b>23,991.12</b>		<b>18,734.25</b>	
	<b>Adjustments for:</b>				
	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	6.64		3.77	
	Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.32)		(3.28)	
	Loss/ (Gain) on Fair value changes (Net)	(265.89)		141.37	
	Unrealised Foreign Exchange Translation Loss / (Gain)	(876.42)		5,314.81	
	Depreciation and Amortisation	38.55		37.57	
	Impairment on Financial Instruments	(480.09)		649.79	
	Impairment Allowance on Assets Classified as Held for Sale	(0.09)		-	
	Effective Interest Rate in respect of Loan assets and borrowings/ debt securities	(111.72)		(63.88)	
	Interest expense on Zero Coupon Bonds and Commercial Papers	(5.30)		42.06	
	Other interest expense	0.71		0.40	
	Other interest income	17.58		(5.62)	
	Provision created during the period	45.10		43.45	
	Excess Liabilities written back	(2.48)		1.16	
	<b>Operating profit before Working Capital Changes:</b>	<b>22,356.39</b>		<b>24,895.85</b>	
	<b>Increase / Decrease :</b>				
	Loans (Net)	(98,843.14)		(48,739.09)	
	Other Financial and Non-Financial Assets	131.44		2,792.57	
	Derivative	(329.92)		(2,104.07)	
	Other Financial & Non-Financial Liabilities and Provisions	6,719.84		(1,516.26)	
	<b>Cash Flow before Exceptional Items</b>	<b>(69,965.39)</b>		<b>(24,671.00)</b>	
	Exceptional Items	-		-	
	<b>Cash Flow from Operations Before Tax</b>	<b>(69,965.39)</b>		<b>(24,671.00)</b>	
	Income Tax paid	(4,771.75)		(4,268.51)	
	Income Tax Refund	-		57.89	
	<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>(74,737.14)</b>		<b>(28,881.62)</b>
<b>II.</b>	<b>Cash Flow From Investing Activities :</b>				
	Proceeds from disposal of Property, Plant and Equipment	0.26		(0.76)	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(146.02)		(45.23)	
	Finance Cost Capitalised	(0.32)		-	
	Sale / (Purchase) of Other Investments	(1,534.34)		(1,325.72)	
	Sale of Assets held for Sale	1.61		3.56	
	<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		<b>(1,678.81)</b>		<b>(1,368.15)</b>
<b>III.</b>	<b>Cash Flow From Financing Activities :</b>				
	Raising of Bonds (including premium) (Net of Redemptions)	47,416.89		12,391.03	
	Raising of Long Term Loans/WCDL/OD/CC/ Line of credit (Net of Repayments)	12,688.75		11,845.87	
	Raising of Foreign Currency Loans (Net of Repayments)	28,849.60		9,510.40	
	Raising of Subordinated Liabilities (Net of Redemptions)	(3,300.00)		-	
	Raising of Commercial paper (Net of Repayments)	2,849.37		-	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	-		3,582.82	
	Payment of Lease Liability	(2.22)		(2.20)	
	Issue Expenses on Bonus Issue of Equity Shares	(0.38)		(0.71)	
	Payment of Dividend	(4,026.33)		(2,788.67)	
	<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>84,475.68</b>		<b>34,538.54</b>
	<b>Net Increase / Decrease in Cash and Cash Equivalents</b>		<b>8,059.73</b>		<b>4,288.77</b>
	Add : Cash and Cash Equivalents at beginning of the financial year		<b>1,513.26</b>		<b>914.24</b>
	<b>Cash and Cash Equivalents at the end of the period</b>		<b>9,572.99</b>		<b>5,203.01</b>
	<b>Details of Cash and Cash Equivalents at the end of the period:</b>				
	<b>(A) Balances with Banks (of the nature of cash and cash equivalents)</b>				
	- In current accounts	577.48		334.66	
	- In Bank Deposit (Callable) /Demand Deposits (original maturity up to 3 months)	8,219.77		3,395.03	
	- Cheques, Drafts on hand including postage and Imprest	0.06		0.06	
	<b>(B) Earmarked Balances</b>				
	- In Bank Deposit (Callable) /Demand Deposits (for HQLA)	775.68		1,473.26	
	<b>Total Cash and Cash Equivalents at the end of the period</b>		<b>9,572.99</b>		<b>5,203.01</b>

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

Place : New Delhi  
 Date : 08.02.2024

*(Signature)*  
 (Parminder Chopra)  
 Chairman and Managing Director  
 DIN - 08530587





1 Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(A)	<b>Balances with Banks (of the nature of cash and cash equivalents)</b>		
	- In Current Accounts	577.48	63.17
	- In Bank Deposit (Callable) /Demand Deposits (original maturity up to 3 months)	8,219.77	64.42
	- Cheques, Drafts on hand including Postage & Imprest	0.06	0.00
(B)	<b>Earmarked Balances</b>		
	- In Bank Deposit (Callable) /Demand Deposits (for HQLA)	775.68	1,473.26
	<b>Total Cash and Cash Equivalents</b>	<b>9,572.99</b>	<b>1,600.85</b>

2 Bank Balance other than included in Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	<b>Earmarked Balances and Term Deposits with Banks for:</b>		
	- Unpaid Dividend	12.32	12.42
	- Unpaid - Bonds / Interest on Bonds etc.	73.39	72.70
	- Amount received under GoI scheme	78.64	172.41
	- Term Deposits- For redemption of debentures	67.31	196.35
(ii)	- Term Deposits- in compliance of Court	0.62	0.62
(iii)	Balance with Bank not available for use pending allotment of securities	530.44	1,720.36
(iv)	Bank Deposit (Callable) /Demand Deposits- More than 3 months but less than 12	124.25	30.56
(v)	Bank Deposit (Callable) /Demand Deposits	216.14	252.16
(vi)	Current Accounts with Banks - Unspent CSR Purposes	133.08	42.59
	<b>Total Bank Balance other than included in Cash and Cash Equivalents</b>	<b>1,236.19</b>	<b>2,500.17</b>



### 3 Derivative Financial Instruments

The Company and its Subsidiary REC Ltd., enters into derivatives for hedging Currency and Interest Rate risk. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

#### Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023			As at 31.03.2023		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	<b>Currency Derivatives:</b>						
	- Spot and Forwards	965.28	-	106.75	1,014.18	20.40	21.06
	- Currency Swaps	14,301.46	331.04	149.52	7,605.06	507.62	58.13
	- Options	169,879.71	14,215.23	786.38	130,438.82	12,107.19	91.15
	<b>Total Currency Derivatives:</b>	<b>185,146.45</b>	<b>14,546.27</b>	<b>1,042.65</b>	<b>139,058.06</b>	<b>12,635.21</b>	<b>170.34</b>
(ii)	<b>Interest Rate Derivatives</b>						
	- Forward Rate Agreements and Interest Rate Swaps	79,723.95	975.10	635.16	56,827.39	1,149.80	300.82
	<b>Total Interest Rate Derivatives</b>	<b>79,723.95</b>	<b>975.10</b>	<b>635.16</b>	<b>56,827.39</b>	<b>1,149.80</b>	<b>300.82</b>
(iii)	<b>Other Derivatives</b>						
	- Reverse cross currency swaps	-	-	-	4,947.00	-	530.11
	<b>Total Other Derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,947.00</b>	<b>-</b>	<b>530.11</b>
	<b>Total Derivative Financial Instruments [(i) + (ii) + (iii)]</b>	<b>264,870.40</b>	<b>15,521.37</b>	<b>1,677.81</b>	<b>200,832.45</b>	<b>13,785.01</b>	<b>1,001.27</b>

Part - II: Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023			As at 31.03.2023		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	<b>Fair Value Hedging (Designated)</b>						
	- Interest Rate Derivatives	-	-	-	-	-	-
	- Forward Rate Agreements and Interest Rate Swaps	15,950.70	45.16	232.47	15,950.70	10.32	289.34
	<b>Total Fair Value Hedging (Designated)</b>	<b>15,950.70</b>	<b>45.16</b>	<b>232.47</b>	<b>15,950.70</b>	<b>10.32</b>	<b>289.34</b>
(ii)	<b>Cash Flow Hedging (Designated):</b>						
	- Currency Derivatives	184,663.81	14,473.09	878.95	133,405.31	12,212.17	89.02
	- Interest Rate Derivatives	53,923.65	532.37	402.69	31,027.09	701.80	11.48
	<b>Total Cash Flow Hedging (Designated)</b>	<b>238,587.46</b>	<b>15,005.46</b>	<b>1,281.64</b>	<b>164,432.40</b>	<b>12,913.97</b>	<b>100.50</b>
(iii)	<b>Undesignated Derivatives</b>						
	- Undesignated Derivatives	10,332.24	470.75	163.70	20,449.35	860.72	611.43
	<b>Total Undesignated Derivatives</b>	<b>10,332.24</b>	<b>470.75</b>	<b>163.70</b>	<b>20,449.35</b>	<b>860.72</b>	<b>611.43</b>
	<b>Total Derivative Financial Instruments [(i) + (ii) + (iii)]</b>	<b>264,870.40</b>	<b>15,521.37</b>	<b>1,677.81</b>	<b>200,832.45</b>	<b>13,785.01</b>	<b>1,001.27</b>





4 Trade Receivables

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
	<b>Trade Receivables</b>		
(i)	- considered good - Secured (Gross)	-	-
(ii)	- considered good - Unsecured (Gross)	192.93	185.69
(iii)	less: Impairment loss allowance	2.57	(25.67)
(iv)	- which have Significant Increase in Credit Risk (Gross)	37.62	37.62
(v)	less: Impairment loss allowance	(28.07)	(28.07)
(vi)	- credit Impaired (Gross)	66.81	66.81
(vii)	less: Impairment loss allowance on Credit Impaired	(65.21)	(65.21)
	<b>Total Trade Receivables</b>	<b>206.65</b>	<b>171.17</b>

5 Loans

The Company and its Subsidiary REC Ltd., have categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
<b>(A)</b>	<b>Loans to Borrowers</b>		
(i)	Rupee Term Loans (RTLs)	877,211.24	807,013.69
(ii)	Buyer's Line of Credit	1,951.25	2,086.95
(iii)	Short Term Loans	74,542.85	47,621.75
(iv)	Others	777.61	777.61
<b>(v)</b>	<b>Principal Outstanding (i to iv)</b>	<b>954,482.95</b>	<b>857,500.00</b>
(vi)	Interest accrued but not due on Loans	6,358.96	5,513.99
(vii)	Interest accrued & due on Loans	2,408.93	478.37
(viii)	Unamortised Fee on Loans	(402.38)	(300.58)
	<b>Gross Carrying Amount (v to viii)</b>	<b>962,848.46</b>	<b>863,191.78</b>
	Less: Impairment loss allowance	(29,261.40)	(30,288.42)
	<b>Net Carrying Amount</b>	<b>933,587.06</b>	<b>832,903.36</b>
<b>(B)</b>	<b>Security-wise classification</b>		
(i)	Secured by Tangible Assets	446,208.36	438,196.92
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	406,095.11	341,748.33
(iv)	Unsecured	110,544.99	83,246.53
	<b>Gross Security-wise classification</b>	<b>962,848.46</b>	<b>863,191.78</b>
	Less: Impairment loss allowance	(29,261.40)	(30,288.42)
	<b>Net Security-wise classification</b>	<b>933,587.06</b>	<b>832,903.36</b>
<b>(C) I</b>	<b>Loans in India</b>		
(i)	Public Sector	832,055.05	748,503.38
(ii)	Private Sector	130,793.41	114,688.40
	<b>Gross Carrying Amount of Loans in India</b>	<b>962,848.46</b>	<b>863,191.78</b>
	Less: Impairment loss allowance	(29,261.40)	(30,288.42)
	<b>Net Carrying Amount of Loans in India</b>	<b>933,587.06</b>	<b>832,903.36</b>
<b>(C) II</b>	<b>Loans Outside India</b>		
	Less: Impairment loss allowance	-	-
	<b>Net Carrying Amount of Loans Outside India</b>	<b>-</b>	<b>-</b>
	<b>Net Carrying Amount of Loans in India and Outside India</b>	<b>933,587.06</b>	<b>832,903.36</b>



6A Investments (Other than accounted for using equity method)

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	2,690.26	-	-	-	-	2,690.26
(ii)	Debt securities	1,652.42	-	1,116.59	1,116.59	-	2,769.01
(iii)	Equity Instruments	-	3,176.26	294.92	3,471.18	-	3,471.18
(iv)	Preference Shares	115.58	-	-	-	-	115.58
(v)	Others	-	-	-	-	-	-
	<b>Total Investments (Other than accounted for using equity method)</b>	<b>4,458.26</b>	<b>3,176.26</b>	<b>1,411.51</b>	<b>4,587.77</b>	<b>-</b>	<b>9,046.03</b>
	<b>Geography wise investment</b>						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	4,458.26	3,176.26	1,411.51	4,587.77	-	9,046.03
	<b>Gross Geography wise investment</b>	<b>4,458.26</b>	<b>3,176.26</b>	<b>1,411.51</b>	<b>4,587.77</b>	<b>-</b>	<b>9,046.03</b>
	Less: Impairment loss allowance	(101.67)	-	-	-	-	(101.67)
	<b>Net Geography wise investment</b>	<b>4,356.59</b>	<b>3,176.26</b>	<b>1,411.51</b>	<b>4,587.77</b>	<b>-</b>	<b>8,944.36</b>

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	1,957.99	-	-	-	-	1,957.99
(ii)	Debt securities	1,189.14	-	612.34	612.34	-	1,801.48
(iii)	Equity Instruments	-	2,103.92	96.67	2,200.59	-	2,200.59
(iv)	Preference Shares	114.50	-	-	-	-	114.50
(v)	Others	-	-	-	-	-	-
	<b>Total</b>	<b>3,261.63</b>	<b>2,103.92</b>	<b>709.01</b>	<b>2,812.93</b>	<b>-</b>	<b>6,074.56</b>
	<b>Geography wise investment</b>						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	3,261.63	2,103.92	709.01	2,812.93	-	6,074.56
	<b>Gross Geography wise investment</b>	<b>3,261.63</b>	<b>2,103.92</b>	<b>709.01</b>	<b>2,812.93</b>	<b>-</b>	<b>6,074.56</b>
	Less: Impairment loss allowance	(101.67)	-	-	-	-	(101.67)
	<b>Net Geography wise investment</b>	<b>3,159.96</b>	<b>2,103.92</b>	<b>709.01</b>	<b>2,812.93</b>	<b>-</b>	<b>5,972.89</b>

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

6B Investments accounted for using equity method

(₹ in crore)

Sr. No.	Particulars	As at	As at
		31.12.2023	31.03.2023
(i)	<b>Associates</b>		
	- Ultramega Power Projects / Independent Transmission Projects [5,60,000 equity shares of ₹ 10 each; previous year 5,60,000 equity shares of ₹ 10 each]	0.51	0.51
	<b>Total Investments accounted for using equity method</b>	<b>0.51</b>	<b>0.51</b>





**7 Other Financial Assets**

The Group has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Recoverable on account of Government of India Serviced Bonds	29,786.17	29,356.50
(ii)	Advances to Associates	211.36	197.46
(iii)	Advances to Employees	2.11	1.52
(iv)	Loans to Employees	196.55	166.42
(v)	Others	377.46	223.77
	Less: Impairment loss allowance on Others	(109.20)	(113.59)
	<b>Total Other Financial Assets</b>	<b>30,464.45</b>	<b>29,832.08</b>

**8 Current Tax Assets / Liabilities (Net)**

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Advance income tax and TDS net of Provision	495.33	461.37
(ii)	Tax Deposited on income tax demands under contest	99.67	81.71
	<b>Total Current Tax Assets (Net)</b>	<b>595.00</b>	<b>543.08</b>
(i)	Provision for income tax net of Advance Tax	63.10	133.09
(ii)	Provision for income tax for demand under contest	0.25	0.25
	<b>Total Current Tax Liabilities (Net)</b>	<b>63.35</b>	<b>133.34</b>



9 Property, Plant and Equipment, Capital Work-in-Progress (CWIP), Intangible assets under development and Other Intangible assets

Particulars	Property, Plant and Equipment											Capital Work-in-Progress	Intangible assets under development		Other Intangible assets
	Freehold Land	Buildings	Plant & Equipment	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leaschold Improvements	Total	Immovable property	Computer Software		Computer Software		
														Computer Software	
Gross Carrying Amount	113.77	455.75	19.90	56.16	54.41	87.72	0.53	1.66	789.90	53.36	-	-	25.18		
Opening Balance as at 01.04.2022	-	26.07	59.44	13.47	18.22	7.49	0.15	-	124.84	42.76	-	-	0.01		
Additions / Adjustments	-	-	-	-	-	-	-	-	-	0.03	-	-	-		
Borrowing Cost Capitalised	-	-	(0.04)	(9.38)	(12.41)	(6.80)	-	0.00	(28.63)	(85.49)	-	-	(0.10)		
Less: Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-		
Closing Balance as at 31.03.2023	113.77	481.82	79.30	60.25	60.22	88.41	0.68	1.66	886.11	10.66	11.20	11.20	25.09		
Additions / Adjustments	-	-	0.36	12.06	13.58	4.10	0.17	-	30.27	3.86	-	-	-		
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	0.32	-	-	-		
Less: Deductions / Adjustments	-	-	0.18	(6.02)	(10.00)	(3.99)	-	-	(19.85)	(0.00)	-	-	-		
Closing Balance as at 31.12.2023	113.77	481.82	79.84	66.29	63.80	88.52	0.83	1.66	896.53	14.84	11.20	11.20	25.09		
Accumulated Depreciation / Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-		
Opening Balance as at 01.04.2022	-	27.08	0.95	38.54	30.21	22.11	0.42	1.65	120.96	-	-	-	20.77		
For the period	-	7.70	6.44	11.48	11.95	8.57	0.05	-	46.19	-	-	-	2.75		
Less: Reversal on Assets Sold/Written off from books	-	-	-	(7.11)	(8.66)	(2.93)	(0.01)	0.01	(18.70)	-	-	-	(0.10)		
Closing Balance as at 31.03.2023	-	34.78	7.39	42.91	33.50	27.75	0.46	1.66	148.45	-	-	-	23.42		
For the period	-	5.80	6.38	7.87	9.02	6.29	0.03	-	35.39	-	-	-	1.02		
Less: Reversal on Assets Sold/Written off from books	-	-	-	(4.56)	(6.74)	(1.85)	0.01	-	(13.14)	-	-	-	0.00		
Closing Balance as at 31.12.2023	-	40.58	13.77	46.22	35.78	32.19	0.50	1.66	170.70	-	-	-	24.44		
Net Carrying Amount	-	-	-	-	-	-	-	-	-	-	-	-	-		
As at 31.03.2023	113.77	447.04	71.91	17.34	26.72	60.66	0.22	-	737.66	10.66	11.20	11.20	1.67		
As at 31.12.2023	113.77	441.24	66.07	20.07	28.02	56.33	0.33	-	725.83	14.84	11.20	11.20	0.65		

Movement of Property, Plant and Equipment (PPE), Intangible Assets and Intangible assets under development for period ended 31.12.2022

Particulars	Property, Plant and Equipment											Capital Work-in-Progress	Intangible assets under development		Other Intangible assets
	Freehold Land	Buildings	Plant & Equipment	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leaschold Improvements	Total	Immovable Property	Computer Software		Computer Software		
														Computer Software	
Gross Carrying Amount	113.77	455.75	19.90	56.16	54.41	87.72	0.53	1.66	789.90	53.36	-	-	25.18		
Opening Balance as at 01.04.2022	-	-	56.95	10.19	10.78	4.76	0.03	-	82.71	0.81	-	-	0.01		
Additions / Adjustments	-	-	-	(3.33)	(5.03)	(3.21)	-	-	(11.57)	(37.71)	-	-	-		
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-		
Closing Balance as at 31.12.2022	113.77	455.75	76.85	63.02	60.16	89.27	0.56	1.66	861.04	16.46	-	-	25.19		
Accumulated Depreciation / Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-		
Opening Balance as at 01.04.2022	-	27.08	0.95	38.54	30.21	22.11	0.42	1.65	120.96	-	-	-	20.77		
For the period	-	5.62	4.21	8.47	8.43	6.36	0.05	-	33.14	-	-	-	2.28		
On Assets Sold/Written off from books	-	-	-	(2.56)	(4.49)	(1.48)	-	0.01	(8.54)	-	-	-	(0.01)		
Closing Balance as at 31.12.2022	-	32.70	5.16	44.45	34.15	26.99	0.45	1.66	145.56	-	-	-	23.04		
Net Carrying Amount	-	-	-	-	-	-	-	-	-	-	-	-	-		
As at 31.12.2022	113.77	423.05	71.69	18.57	26.01	62.28	0.11	-	715.48	16.46	-	-	2.15		





**10 Right-of-use Assets**

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	<b>Opening Balance of Leasehold Land</b>	42.97	45.83
(ii)	Additions	-	-
(iii)	Less: Disposal / Adjustment	-	-
(iv)	Less: Depreciation*	(2.14)	(2.86)
	<b>Closing Balance of Leasehold Land</b>	<b>40.83</b>	<b>42.97</b>

\*As required by Ind AS 116 'Leases', Depreciation expense on Right-of-Use assets is included under Depreciation and Amortization expenses in the Consolidated Statement of Profit and Loss. Further, depreciation for nine months ended 31.12.2022 is ₹ 2.15 crores.

**11 Other Non-Financial Assets**

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Prepaid Expenses	40.93	19.10
(ii)	Deferred Employee Costs	67.99	59.52
(iii)	Capital Advances	501.86	389.96
(iv)	Excess Spent - CSR Expenses	-	7.70
(v)	Other assets	264.88	164.86
	<b>Total Other Non-Financial Assets</b>	<b>875.66</b>	<b>641.14</b>

**12 Assets Classified as held for sale\***

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(A)	<b>Assets classified as held for sale</b>		
(i)	Investment in associates	1.15	0.73
(ii)	Loan to associates	16.29	26.07
(iii)	Provision for impairment on assets classified as held for sale	-	(9.73)
	<b>Sub Total ( i+ii+iii)</b>	<b>17.44</b>	<b>17.07</b>
(B)	Asset Classified as Held for Sale - Building	0.05	0.34
	<b>Total (A+B)</b>	<b>17.49</b>	<b>17.41</b>
(C)	<b>Liabilities directly associated with assets classified as held for sale</b>		
(i)	Less : Payable to associates	-	(0.02)
	<b>Total (C)</b>	<b>-</b>	<b>(0.02)</b>
	<b>Disposal Group - Net assets (A+B+C)</b>	<b>17.49</b>	<b>17.39</b>

\*Pertains to PFC's Subsidiaries - REC Ltd. and PFC Consulting Ltd.



### 13 Trade Payables

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
	<b>Trade Payables</b>		
(i)	Total outstanding dues of Micro, Small and Medium Enterprises	0.08	0.67
(ii)	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	71.93	50.19
	<b>Total Trade Payables</b>	<b>72.01</b>	<b>50.86</b>

### 14 Debt Securities

The Company and its Subsidiary REC Ltd., have categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	<b>Secured Bonds / Debenture</b>		
	- Infrastructure Bonds	38.51	38.51
	- Tax Free Bonds	16,858.15	18,520.76
	- 54EC Capital Gain Tax Exemption Bonds	48,999.00	42,466.24
	- Taxable Bonds	9,208.47	6,383.99
	- Bond Application Money	530.44	1,720.36
	<b>Sub-Total (i)</b>	<b>75,634.57</b>	<b>69,129.86</b>
(ii)	<b>Unsecured Bonds / Debenture</b>		
	- Infrastructure Bonds	3.96	3.96
	- Taxable Bonds	384,812.91	344,006.50
	- Foreign Currency Notes	67,175.37	70,106.11
	- Commercial Paper	2,985.00	-
	<b>Sub-Total (ii)</b>	<b>454,977.24</b>	<b>414,116.57</b>
(iii)	<b>Total Principal Outstanding of Debt Securities (i+ii)</b>	<b>530,611.81</b>	<b>483,246.43</b>
(iv)	Interest accrued but not due on above	17,045.32	14,414.63
(v)	Unamortised Transaction Cost on above	(914.35)	(931.68)
	<b>Total Debt Securities (iii to v)</b>	<b>546,742.78</b>	<b>496,729.38</b>
	<b>Geography wise Debt Securities</b>		
(i)	Debt Securities in India	479,482.34	426,580.42
(ii)	Debt Securities outside India	67,260.44	70,148.96
	<b>Total Geography wise Debt Securities</b>	<b>546,742.78</b>	<b>496,729.38</b>





**15 Borrowings (other than Debt Securities)**

The Company and its Subsidiary REC Ltd., have categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
<b>(A)</b>	<b>Secured Borrowings</b>		
(i)	Term Loans from Banks and Financial Institutions		
	- Rupee Term Loans	8,342.50	13,476.25
	<b>Sub-Total (A)</b>	<b>8,342.50</b>	<b>13,476.25</b>
<b>(B)</b>	<b>Unsecured Borrowings</b>		
(i)	Term Loans from Banks and Financial Institutions		
	- Foreign Currency Loans	31,412.70	23,760.24
	- Syndicated Foreign Currency Loans	89,647.90	64,552.40
	- Rupee Term Loans	123,858.31	111,139.85
(ii)	Term Loans From other Parties		
	- Rupee Term Loans - NSSF	17,500.00	17,500.00
(iii)	Other Loans from Banks		
	Working Capital Demand Loan / Overdraft / Cash Credit / Line of Credit	12,687.87	7,671.42
	<b>Sub-Total (B)</b>	<b>275,106.78</b>	<b>224,623.91</b>
<b>(C)</b>	<b>Total Principal Outstanding of Borrowings (other than Debt Securities) (A+B)</b>	<b>283,449.28</b>	<b>238,100.16</b>
(D)	Interest accrued but not due on above	1,311.35	1,063.18
(E)	Unamortised Transaction Cost on above	(1,108.90)	(820.34)
	<b>Total Borrowings (other than Debt Securities) ( C to E )</b>	<b>283,651.73</b>	<b>238,343.00</b>
	<b>Geography wise Borrowings</b>		
(i)	Borrowings in India	187,370.62	165,851.51
(ii)	Borrowings outside India	96,281.11	72,491.49
	<b>Total Geography wise Borrowings</b>	<b>283,651.73</b>	<b>238,343.00</b>

**16 Subordinated Liabilities**

The Company and its Subsidiary REC Ltd., have categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
	<b>Subordinated Liabilities (Unsecured)</b>		
(i)	Subordinated Bonds ( Principal Outstanding )	12,562.20	15,862.20
(ii)	Interest accrued but not due on above	874.37	399.25
(iii)	Unamortised Transaction Cost on above	(73.42)	(176.31)
	<b>Total Subordinated Liabilities</b>	<b>13,363.15</b>	<b>16,085.14</b>
	<b>Geography wise Subordinated Liabilities</b>		
(i)	Subordinated Bonds in India	13,363.15	16,085.14
(ii)	Subordinated Bonds outside India	-	-
	<b>Total Geography wise Subordinated Liabilities</b>	<b>13,363.15</b>	<b>16,085.14</b>



**17 Other Financial Liabilities**

The Group has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Payable on account of Unsecured Government of India Serviced Bonds	29,786.17	29,356.50
(ii)	Advance received from Associates	178.87	177.16
(iii)	Unclaimed Dividends	12.32	12.42
(iv)	Unpaid - Bonds and Interest Accrued thereon		
	- Unclaimed Bonds	29.93	26.58
	- Unclaimed Interest on Bonds	85.03	82.95
(v)	Others		
	- Application Money Refundable on Bonds and interest accrued thereon	0.71	0.71
	- Interest Subsidy Fund and other GOI Funds for disbursement	81.00	161.35
	- Lease Liability	15.32	17.01
	- Other liabilities	3,946.14	1,129.99
	<b>Total Other Financial Liabilities</b>	<b>34,135.49</b>	<b>30,964.67</b>

**18 Provisions**

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	For Employee Benefits :		
	- Gratuity	1.07	3.70
	- Leave Encashment	101.96	98.50
	- Economic Rehabilitation of Employees	13.06	11.99
	- Provision for Bonus / Incentive	69.47	79.54
	- Provision for Staff Welfare Expenses	29.95	28.20
(ii)	Impairment Loss Allowance - Letter of Comfort	73.87	66.80
(iii)	Provision for Unspent CSR Expense	134.17	149.38
	<b>Total Provisions</b>	<b>423.55</b>	<b>438.11</b>

**19 Other Non-Financial Liabilities**

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Unamortised Fee - Undisbursed Loans Assets	348.25	201.60
(ii)	Sundry Liabilities (Interest Capitalisation)	125.00	29.07
(iii)	Statutory dues payable	71.25	67.45
(iv)	Advance received from Govt. towards Govt. Schemes	-	0.10
(v)	Others	116.38	86.57
	<b>Total Other Non-Financial Liabilities</b>	<b>660.88</b>	<b>384.79</b>





20 Equity Share Capital

Sr. No.	Particulars	As at 31.12.2023		As at 31.03.2023	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	<b>Authorised Capital</b>				
	Equity Share Capital (Par Value per share ₹ 10)	11,000,000,000	11,000.00	11,000,000,000	11,000.00
	Preference Share Capital (Par Value per share ₹ 10)	200,000,000	200.00	200,000,000	200.00
(B)	<b>Issued, Subscribed and Fully Paid-up Capital</b>				
	Equity Share Capital (Par Value per share ₹ 10)	3,300,101,760	3,300.10	2,640,081,408	2,640.08
(C)	<b>Reconciliation of Equity Share Capital</b>				
	Opening Equity Share Capital	2,640,081,408	2,640.08	2,640,081,408	2,640.08
	Changes during the period	660,020,352	660.02	-	-
	<b>Closing Equity Share capital</b>	<b>3,300,101,760</b>	<b>3,300.10</b>	<b>2,640,081,408</b>	<b>2,640.08</b>

21 Other Equity

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
(i)	Capital Reserve - Common Control	(13,114.50)	(13,114.50)
(ii)	Securities Premium	2,946.47	3,606.87
(iii)	Foreign Currency Monetary Item Translation Difference Account	(794.33)	(883.61)
(iv)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	15,883.17	12,783.26
(v)	Reserve for Bad & doubtful debts u/s 36(1)(vii)(c) of Income-Tax Act, 1961	1,284.68	529.39
(vi)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	599.85	599.85
(vii)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	42,888.70	39,658.38
(viii)	Interest Differential Reserve - KFW Loan	67.18	64.97
(ix)	General Reserve	21,056.10	21,026.85
(x)	Retained Earnings	22,626.45	18,236.28
(xi)	Reserve for Equity Instruments through Other Comprehensive Income	942.27	2.12
(xii)	Reserve for Effective portion of Cash Flow Hedges	358.38	808.03
(xiii)	Costs of Hedging Reserve	(1,423.29)	(1,799.49)
	<b>Total Other Equity</b>	<b>93,321.14</b>	<b>81,518.41</b>

22 Non-Controlling Interest

(₹ in crore)

Sr. No.	Particulars	As at 31.12.2023	As at 31.03.2023
	<b>Balance at the beginning of the year</b>	<b>27,264.39</b>	<b>24,040.51</b>
(i)	Share of Net Profit for the period	4,767.95	5,289.26
(ii)	Re-measurement of Defined Benefit Plans	1.70	(2.12)
(iii)	Share of Other Comprehensive Income / (Expense)	(59.70)	(457.81)
	<b>Share of Total Comprehensive Income</b>	<b>4,709.95</b>	<b>4,829.33</b>
(i)	Dividend Declared/ Proposed to Non-Controlling Interest	(1,353.25)	(1,477.97)
(ii)	Others	39.80	(127.49)
	<b>Balance at the end of the period - towards Equity Share Holders</b>	<b>30,660.89</b>	<b>27,264.39</b>
	towards Instruments Entirely Equity in Nature	558.40	558.40
	<b>Total Non - Controlling Interest</b>	<b>31,219.29</b>	<b>27,822.79</b>



23 Interest Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
<b>A</b>	<b>On Financial Assets measured at Amortised Cost</b>		
(i)	Interest on Loans	65,592.97	56,542.79
	Less : Rebate for Timely Payment to Borrowers	(192.52)	(222.30)
(ii)	Interest on Deposits with Banks	396.66	184.66
(iii)	Interest on Investment	201.37	146.01
(iv)	Other Interest Income	139.49	195.03
<b>B</b>	<b>On Financial Assets classified at Fair Value Through Profit or Loss</b>		
(i)	Interest on Investment	50.71	28.92
(ii)	Other Income	5.53	3.55
	<b>Total Interest Income (A+B)</b>	<b>66,194.21</b>	<b>56,878.66</b>

24 Fees and Commission Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Prepayment Premium on Loans	47.97	102.52
(ii)	Fee based Income on Loans	91.21	172.04
(iii)	Fee for implementation of GoI Schemes	54.49	51.08
	<b>Total Fees and Commission Income</b>	<b>193.67</b>	<b>325.64</b>

25 Other Operating Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Sale of Services	524.18	224.43
(ii)	Other	-	7.13
	<b>Total Other Operating Income</b>	<b>524.18</b>	<b>231.56</b>

26 Other Income

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Excess Liabilities written back	2.48	1.44
(ii)	Miscellaneous Income	40.73	42.20
	<b>Total Other Income</b>	<b>43.21</b>	<b>43.64</b>





27 Finance Costs

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
	<b>On Financial Liabilities Measured At Amortised Cost</b>		
(i)	<b>Interest on Borrowings</b>		
	- Term Loans and others	13,210.93	8,206.30
	- Interest on Lease Liability	1.11	1.26
(ii)	<b>Interest on Debt Securities</b>		
	- Bonds / Debentures	26,684.69	23,091.42
	- Commercial Paper	134.47	-
(iii)	<b>Interest on Subordinated Liabilities</b>	939.65	1,045.73
(iv)	<b>Other Interest Expense</b>		
	- Interest on advances received from Subsidiaries	4.36	3.29
	- Interest expense on Variation Margin	60.46	-
	- Other	(2.07)	4.35
	Less: Finance Cost Capitalised	(0.32)	-
	<b>On Financial Liabilities Classified at Fair Value Through Profit or Loss</b>		
(v)	<b>Swap Premium ( Net )</b>	1,776.62	2,027.30
	<b>Total Finance Costs</b>	<b>42,809.90</b>	<b>34,379.65</b>

28 Fees and Commission Expense

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Agency Fees	3.64	2.02
(ii)	Guarantee, Listing and Trusteeship fees	3.16	4.19
(iii)	Credit Rating Fees	5.18	7.65
(iv)	Other Finance Charges	16.36	5.38
	<b>Total Fees and Commission Expense</b>	<b>28.34</b>	<b>19.24</b>

29 Net Loss / (Gain) on Fair Value changes

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
	<b>On financial instruments at Fair value through Profit or Loss:</b>		
(i)	- Change in Fair Value of Derivatives	(70.36)	96.73
(ii)	- Change in Fair Value of Investments	(195.52)	44.65
(iii)	- Change in Fair Value of Short Term Investment of Surplus Funds in Mutual	(2.03)	(0.30)
	<b>Total Net Loss / (Gain) on Fair Value changes</b>	<b>(267.91)</b>	<b>141.08</b>



30 Impairment on Financial Instruments

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
<b>A</b>	<b>On Financial Assets measured at Amortised Cost:</b>		
(i)	Loans	(497.75)	661.13
(ii)	Other Financial Assets and Trade Receivables	10.62	13.97
(iii)	Letter of Comfort	7.04	(25.31)
	<b>Total Impairment on Financial Instruments</b>	<b>(480.09)</b>	<b>649.79</b>

31 Employee Benefit Expenses

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Salaries and Wages	244.97	258.41
(ii)	Contribution to Provident and other Funds/ Schemes	42.50	28.48
(iii)	Staff Welfare Expenses	67.77	55.12
(iv)	Rent for Residential Accommodation of Employees	13.96	10.08
	<b>Total Employee Benefit Expenses</b>	<b>369.20</b>	<b>352.09</b>

32 Other Expenses

(₹ in crore)

Sr. No.	Particulars	Nine Months ended 31.12.2023	Nine Months ended 31.12.2022
(i)	Rent, Taxes and Energy Cost	13.64	10.01
(ii)	Repairs and Maintenance	25.13	18.64
(iii)	Communication Costs	2.92	3.04
(iv)	Printing and Stationery	2.18	2.10
(v)	Advertisement and Publicity	23.43	13.30
(vi)	Directors Fees, Allowance & Expenses	0.61	0.61
(vii)	Auditor's fees and expenses	2.10	1.29
(viii)	Legal & Professional charges	27.35	21.05
(ix)	Insurance	0.57	0.35
(x)	Travelling and Conveyance	31.79	26.49
(xi)	Net Loss / (Gain) on derecognition of Property, Plant and Equipment	6.63	3.77
(xii)	Govt. scheme monitoring expense	6.95	9.64
(xiii)	Conference And Meeting Expenses	18.03	11.56
(xiv)	Security Expenses	2.18	2.71
(xv)	Other Expenditure	53.25	45.51
	<b>Total Other Expenses</b>	<b>216.76</b>	<b>170.07</b>





## 1. Group's Significant Accounting Policies

The Group's significant accounting policies applied in preparation of the Consolidated Financial Statements are as given below:

### 1.1 Basis of Preparation and Measurement

These Consolidated Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 1.2 Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as the "Group"). The Group has investment in joint venture entity and associates which are accounted using equity method (except when the investment is classified as held for sale) in these Consolidated Financial Statements.

The financial statements of Subsidiaries, Joint Venture and Associates are drawn up to the same reporting date as of the Company for the purpose of Consolidation.

#### (i) Subsidiaries:

A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the Company obtains the control (except for Business Combinations under Common Control).

The Company combines the financial statements of its subsidiaries on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. The carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary are eliminated. Intercompany transactions, balances, unrealised gains on transactions between the Company and subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of



the transferred asset.

Non-controlling interests (NCI) represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders. Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements except as otherwise stated. When necessary, adjustments are made to the financial statements to bring their accounting policies in line with the Group's Significant Accounting Policies.

If the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in Consolidated Statement of Profit and Loss.

**(ii) Joint Venture and Associates:**

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of Joint Venture or Associates are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment or a portion thereof, is classified as held for sale, in which case it is measured at lower of their carrying amount and fair value less cost to sell. Under the equity method, an investment in a Joint Venture or Associate is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the Joint Venture or Associate. Distributions received from a joint venture/ associate reduce the carrying amount of the investment.

Upon loss of joint control over the Joint Venture or significant influence over the Associate, the Company measures and recognises any retained investment at its fair value. Any difference between a) the carrying amount of the Joint Venture or Associate upon loss of joint control or significant influence respectively and b) the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Statement of Profit and Loss.





### 1.3 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Group considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.4 Derivative Financial Instruments

- (i) The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.
- (ii) Under hedge accounting, an entity can designate derivative contracts either as cashflow hedge or fair value hedge.
- (iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:
  - there is an economic relationship between the hedged item and the hedging instrument.
  - the effect of credit risk does not dominate the value changes that result from that economic relationship.
  - the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.
- (iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognized in 'Effective Portion of Cash Flow Hedges'. The amounts recognized in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognized in 'Cost of Hedging Reserve'. The amounts recognized in such reserve are amortized to the Consolidated Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognized immediately in Consolidated Statement of Profit and Loss.

#### (v) Fair Value Hedge

In line with the recognition of change in the fair value of the hedging instruments in the Consolidated Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Consolidated Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exist. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Consolidated Statement of Profit and Loss.

- (vi) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.



- (vii) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

## 1.5 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Consolidated Statement of Profit and Loss.

### • 1.5.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### (i) Classification and Measurement of Financial Assets (other than Equity instruments)

##### a. Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

#### Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Group while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Consolidated Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate





movement, any gain / loss measured using the previous EIR as calculated before the modification, is recognised in the Consolidated Statement of Profit and Loss in period during which such renegotiations occur.

b. Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Consolidated Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business model at a level that reflects how financial assets are managed together

to achieve a particular business objective of generating cash flows. The Group's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group is primarily in the business of lending loans across power sector value chain and such loans are managed to realize the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Group to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. For all other equity instruments, the Group at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Consolidated Other Comprehensive Income (OCI) and accumulated in Consolidated Reserve. There is no recycling of the amounts from Consolidated OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group transfers the cumulative gain/loss within consolidated equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.



**(iii) Impairment of Financial Assets**

Subsequent to initial recognition, the Group recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Group presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Consolidated Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Consolidated Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Consolidated Balance Sheet.

**a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):**

The Group measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Group measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Group considers reasonable and supportable information, that is available without undue cost or effort. If the Group measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Group again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Group measures impairment on commitments under LoC on similar basis as in case of Loan assets.

**b) Impairment of financial assets, other than loan assets:**

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

**c) Financial assets are written off by RECL either partially or in their entirety only when it has stopped pursuing the recovery.**

**(iv) De-recognition of Financial Assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Consolidated Other Comprehensive





Income and accumulated in Consolidated Equity, is recognised in Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

### 1.5.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial Guarantee

A financial guarantee issued by the Group is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Consolidated Statement of Profit and Loss.

(iii) De-recognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Consolidated Statement of Profit and Loss.

### 1.5.3 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet when currently there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 1.5.4 Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value



recognised in profit or loss, unless designated as effective hedging instruments.

### 1.6 Property, Plant and Equipment (PPE) and Depreciation

- (i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realizable value.
- (ii) The expenditure incurred on improvement of leasehold premises is recognised at cost and is shown as "Leasehold Improvements" under PPE.
- (iii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received / approved subject to necessary adjustment in the year of final settlement.
- (iv) Cost of replacing part of an item of PPE is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Maintenance or servicing costs of PPE are recognized in Consolidated Statement of Profit and Loss as incurred.
- (v) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.
- (vi) Depreciation is recognised so as to write-off the cost of assets less their residual values<sup>#</sup> as per written down value method\*, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except following:

Nature of PPE	Life of PPE
Cell phones	2 years (in case of PFC & PFCCL)
Lease hold improvement <sup>(1)</sup>	Lease period or their useful lives whichever is shorter (in case of PFCCL)

<sup>#</sup> Residual value is estimated as 5% of the original cost of PPE.

\* Depreciation is provided using Straight line method by RECL

<sup>(1)</sup> Leasehold Improvements are amortised on straight line basis

- (vii) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.
- (viii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.
- (ix) Capital expenditure directly attributable for Smart metering project are initially shown in 'Capital work-in-progress' (net of contribution from client) and capitalised as PPE when it is ready for use. Depreciation on items of PPE in smart metering project is recognised on pro-rata basis on Straight Line Method over the useful life of assets not exceeding project implementation period of 99 months.





- (x) Items of PPE costing up to ₹ 5000/- each are fully depreciated, in the year of purchase.
- (xi) The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress'. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the Balance Sheet date are classified under 'Capital Advances.'

### 1.7 Intangible Assets and Amortisation

- (i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.
- (ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use. Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.
- (iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Group as 5 years. In case of PFCC, life is estimated as 36 months.
- (iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

### 1.8 Assets/ Disposal Groups held for sale

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Group; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such non-current assets are measured at lower of carrying amount or fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets held for sale are presented separately from other assets in the Consolidated Balance Sheet.

Where the Group is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity (i.e. all the assets and liabilities of that entity) as held for sale.

### 1.9 Provisions, Contingent Liabilities and Contingent Assets

- (i) Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, if it is probable that the Group will be required to settle the



obligation and a reliable estimate can be made of the amount of the obligation.

- (ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
- (iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- (iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.
- (v) Contingent assets are not recognised in the Consolidated Financial Statements. However, contingent assets are disclosed in the Consolidated Financial Statements when inflow of economic benefits is probable.

#### 1.10 Recognition of Income and Expenditure

- (i) Interest income on financial assets subsequently measured at amortized cost, is recognized using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.
- (ii) Unless otherwise specified, the recoveries from the borrowers of RECL are appropriated in the order of (i) costs and expenses of RECL (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.
- (iii) Interest on financial assets subsequently measured at fair value through profit and loss (FVTPL), is recognized on accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head 'Interest Income'.
- (iv) Rebate on account of timely payment of dues by borrowers is recognized on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.
- (v) The Group uses the principles laid down by Ind AS 115 to determine that how much and when revenue is recognized, what is the nature, amount, timing and uncertainty of revenues etc. In accordance with the same, revenue is recognised through a five-step approach:
  - a. Identify the contract(s) with customer;
  - b. Identify separate performance obligations in the contract;
  - c. Determine the transaction price;





- d. Allocate the transaction price to the performance obligations; and
- e. Recognise revenue when a performance obligation is satisfied.

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

In Cost Plus Contracts - Revenue is recognised by including eligible contractual items of expenditures plus proportionate margin as per contract;

In Fixed Price Contracts – Revenue is recognised on the basis of stage of completion of the contract. The Group has assessed that the stage of completion is determined as the proportion of the total time expected to complete the performance obligation to that has lapsed at the end of the reporting period, which is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

- (vi) Revenue from consulting services, in connection with development of Independent Transmission Projects (ITP) and Ultra Mega Power Projects (UMPP) taken up as per the directions from the Ministry of Power, Government of India, is recognized on completed contract method basis i.e. when the ITP /UMPP created for the project is transferred to a successful bidder evidenced by share purchase agreement. The expenses incurred on development of these projects which are not recovered as direct costs are recovered through billing manpower charges at agreed charge out rates decided by the management.
- (vii) Income from Smart Metering services of PFCL are recognised when bills for meter rent is raised to the clients and right to receive such income is established. Income from project development management agency charges (PDMA) during project implementation period is recognized over the period of contract.
- (viii) The sale proceeds from Request for qualification (Rfq) documents for Independent Transmission Projects (ITPs) and Ultra Mega Power Project (UMPPs) are accounted for when received.
- (ix) Income from short /medium term bidding of power and Coal Flexibility Scheme is recognised when letter of award (LOA) is issued to the successful bidder.
- (x) Dividend income from investments including those measured at FVTPL, is recognized in Consolidated Statement of Profit and Loss under the head 'Dividend Income' when the Group's right to receive dividend is established and the amount of dividend can be measured reliably.
- (xi) Interest expense on financial liabilities subsequently measured at amortized cost is recognized using Effective Interest Rate (EIR) method.
- (xii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.
- (xiii) A Prepaid expense up to ₹ 1,00,000/- is recognized as expense upon initial recognition in



the Consolidated Statement of Profit and Loss.

### 1.11 Expenditure on issue of Shares

Expenditure on issue of shares is charged to the securities premium account.

### 1.12 Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such a qualifying asset becomes ready for its intended use, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Consolidated Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

### 1.13 Employee Benefits

#### (i) Defined Contribution Plan

Group's contribution paid / payable during the reporting period towards provident fund and pension are charged in the Consolidated Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

#### (ii) Defined Benefit Plan

The Group's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain / loss on re-measurement of gratuity and other post-employment defined benefit plans is recognized in Other Comprehensive Income (OCI). Past service cost is recognized in the Consolidated Statement of Profit and Loss in the period of a plan amendment.

#### (iii) Other long term employee benefits

The Group's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognized in the Consolidated Statement of Profit and Loss.

#### (iv) Short term employee benefits

Short term employee benefits such as salaries and wages are recognised in the Consolidated Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### (v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and





subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

#### 1.14 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss, except when it relates to an item that is recognised in Consolidated Other Comprehensive Income (OCI) or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

##### (i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

##### (ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets / liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### 1.15 Leases

For recognition, measurement and presentation of lease contracts, the Group applies the principles of Ind AS 116 'Leases'.

##### (i) The Group as a lessee

The Group at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a



contract conveys the right to control the use of an identified asset, the Group assesses whether (a) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Group has the right to direct the use of the identified asset.

The Group at inception of a lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Group's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Consolidated Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

## (ii) The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Group in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of lease at the reporting date.





### 1.16 Foreign Currency Transactions and Translations

The functional currency of the Group is Indian Rupees. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the consolidated financial statements before April 1 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item.

### 1.17 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the Consolidated Financial Statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the Consolidated Financial Statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

### 1.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

### 1.19 Dividends and Other Payments to holders of Instruments classified as Equity



Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the respective company in the Group.

Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the respective company in the Group.

### 1.20 Earnings per Share

Basic earnings per equity share are calculated by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.





**Summarised Notes to Unaudited Consolidated Interim Financial Statements:**

<b>1</b>	<p>These Unaudited Consolidated Interim Financial Statements (Statements) for the nine months ended 31.12.2023 have been reviewed &amp; recommended by the Audit Committee and subsequently approved and taken on record by the Board of Directors of the Company (the Board) in their respective meetings held on 08.02.2024. The Joint Statutory Auditors of the company for the FY 2023-24, Prem Gupta &amp; Company, Chartered Accountants and Chokshi &amp; Chokshi LLP, Chartered Accountants have conducted limited review of these Statements in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant of India.</p>																																						
<b>2</b>	<p>These Statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.</p>																																						
<b>3</b>	<p>These Statements include the quarterly limited reviewed consolidated financial statements of one subsidiary; management approved consolidated financial statements of one subsidiary, management approved standalone financial statements of one subsidiary and eleven associates. The Financial statements of these subsidiaries and associates have been consolidated in accordance with Ind AS 110 – 'Consolidated Financial Statements', and Ind AS 28 – 'Investments in Associates and Joint Ventures'.</p>																																						
<b>4</b>	<p>a) The Board of Directors of the Company in their meeting held on 08.02.2024 declared second interim dividend @ 35% on the paid up equity share capital i.e. ₹ 3.50 per equity share of ₹ 10 /- each for the FY 2023-24. Further, the Company had earlier paid ₹ 4.50 as first interim dividend for the FY 2023-24.</p> <p>(b) Pursuant to the approval of the shareholders in the Annual General Meeting held on 12.09.2023, the company has issued 66,00,20,352 equity shares of ₹ 10/- each as fully paid-up bonus shares in the ratio of one bonus equity share for every four existing fully paid-up equity shares outstanding on the record date i.e. 21.09.2023. As a result of this, the paid-up equity share capital of the Company has increased from ₹ 2,640.08 crore (2,64,00,81,408 equity shares of ₹ 10/- each) to ₹ 3,300.10 crore (3,30,01,01,760 equity shares of ₹ 10/- each).</p> <p>Accordingly, EPS (basic and diluted) has been restated for all comparative periods and presented as per Ind AS-33- 'Earnings Per Share'.</p>																																						
<b>5</b>	<p>In respect of the Company and its subsidiary REC Ltd., impairment loss allowance on loan assets has been provided in accordance with the Board approved Expected Credit Loss (ECL) policy of respective companies and based on the report by independent agency, appointed by the respective companies for assessment of ECL as per Ind AS 109 'Financial Instruments'. Details in this regard are given below:</p> <p style="text-align: right;">(₹ in crore)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">S. No.</th> <th rowspan="2">Particulars</th> <th colspan="3">As on 31.12.2023</th> <th colspan="3">As on 31.03.2023</th> </tr> <tr> <th>Stage 1 &amp; 2</th> <th>Stage 3</th> <th>Total</th> <th>Stage 1 &amp; 2</th> <th>Stage 3</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td>Loan Outstanding</td> <td>9,24,598.52</td> <td>29,884.43</td> <td>9,54,482.95</td> <td>8,26,106.27</td> <td>31,393.73</td> <td>8,57,500.00</td> </tr> <tr> <td>b)</td> <td>Impairment Loss Allowance maintained*</td> <td>7,648.85</td> <td>21,686.42</td> <td>29,335.27</td> <td>7,836.33</td> <td>22,518.89</td> <td>30,355.22</td> </tr> <tr> <td>c)</td> <td>Impairment Loss Allowance Coverage (%) (b/a)</td> <td>0.83%</td> <td>72.57%</td> <td>3.07%</td> <td>0.95%</td> <td>71.73%</td> <td>3.54%</td> </tr> </tbody> </table> <p>*including impairment loss allowance on Letter of Comfort of ₹ 73.87 crore (as at 31.03.2023 ₹ 66.80 crore).</p>	S. No.	Particulars	As on 31.12.2023			As on 31.03.2023			Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total	a)	Loan Outstanding	9,24,598.52	29,884.43	9,54,482.95	8,26,106.27	31,393.73	8,57,500.00	b)	Impairment Loss Allowance maintained*	7,648.85	21,686.42	29,335.27	7,836.33	22,518.89	30,355.22	c)	Impairment Loss Allowance Coverage (%) (b/a)	0.83%	72.57%	3.07%	0.95%	71.73%	3.54%
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6	As a matter of prudence, income on credit impaired loans is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.
7	As on December 31, 2023, Company has maintained the required High Quality Liquid Assets (HQLA) in the form of Govt. Securities, Corporate bonds, marketable securities including callable / demand fixed deposits (FD) with scheduled commercial banks. RBI vide its order dated February 6, 2024 has treated callable / demand fixed deposits (FD) with scheduled commercial banks as ineligible security for the purpose of HQLA. The company has informed Stock exchanges (BSE/NSE) about the said order vide its letter dated February 7, 2024.
8	The Group's operations comprise of only one business segment - lending to power, logistics and infrastructure sector. Hence, there is no other reportable business / geographical segment as per Ind AS 108- 'Operating Segments'.
9	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable with the current period.
<p>Place: New Delhi Date: 08.02.2024</p> <p style="text-align: right;"><i>Chopra</i> <b>Parminder Chopra</b> Chairman &amp; Managing Director DIN – 08530587</p>	

