



पावर फाइनेंस कॉर्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.
(भारत सरकार का उपक्रम) (A Govt. of India Undertaking)
(आई.एस.ओ. 9001:2015 प्रमाणित) (ISO 9001:2015 Certified)

No: 1:05:138:II:CS
Date: 1st August, 2018

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

Sub: Annual Audited Standalone Financial Statements along with the Auditors Report for the FY 2017-18

Sir/Madam,

Please find attached herewith the Annual Audited Standalone Financial Statements for the FY 2017-18 along with the Auditors Report which shall form part of the Annual Report to be circulated to the shareholders in due course.

This is submitted for your information and record.

Thanking you,

Yours faithfully,
For Power Finance Corporation Limited


(Manohar Balwani)
Company Secretary
mb@pfcindia.com

M.K. Aggarwal & Co.
Chartered Accountants,
30, Nishant Kunj, Pitam Pura,
New Delhi – 110034.
Ph. No. 011-47517171
E-mail: mka@mkac.in

Gandhi Minocha & Co.
Chartered Accountants,
B-6, Shakti Nagar Extension,
New Delhi – 110052
Ph. No. 011-27303078
E-mail: gandhica@yahoo.com

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting & auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the



auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2018 and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in term of Sub-section 11 of Section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. The Comptroller and Auditor General of India has issued the directions and sub directions indicating the areas to be examined in term of Sub-section 5 of Section 143 of the Act, the compliance of which is set out in **Annexure "B"**.
3. As required by Sub-section 3 of Section 143 of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.
 - (f) For internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure C**.



(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note no. 2(B), 2(C) & note no. 3 of Part-C 'Other Notes on Accounts' to the financial statements;
- ii. The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR M.K. AGGARWAL & CO.

Chartered Accountants

Firm's Registration No.: 01411N

by the hand of

M.K. Aggarwal

CA M.K. AGGARWAL

Partner

Membership No.014956



FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

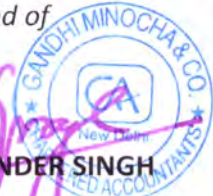
by the hand of

Bhupinder Singh

CA BHUPINDER SINGH

Partner

Membership No.092867



Date: 25.05.2018

Place: New Delhi

Annexure A to Independent Auditor's Report on the Standalone Financial Statements

(Referred to in our report of even date to the members of PFC Limited on the financial statements for the year ended 31 March 2018)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, the management carries out the physical verification of fixed assets once in a year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification necessitating any adjustment.
(c) The Company has clear title deeds of immovable properties held in its name.
- ii. The Company is a Non-Banking Finance Company. Accordingly it does not hold any inventory. Thus, clause 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- iii. As explained to us and verified from books and records, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Further, clauses 3(iii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv. The Company has not given any loans, investment, guarantees and securities which may be covered under section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from public during the year within the meaning of section 73 to 76 or any other relevant provision of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
- vi. The Central Government has not prescribed the maintenance of cost records under Sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- vii. In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the company, we report that:
 - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Service Tax, Value Added Tax, Goods & Service Tax and other material statutory dues as applicable to it and there is no undisputed amount payable in respect of aforesaid dues outstanding for a period of more than six months as on 31 March, 2018, as per the accounts of the Company.



(b) Wherever any dues / demand has been raised by any statutory authority and has been disputed by the Company, the same has been duly deposited under contest except in following cases:

Name of the Statute	Nature of the Dues	Pending Amount (₹)	Amount paid under protest (₹)	Total Disputed Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Chapter V of Finance Act, 1994	Service Tax and Penalty	80,65,660/-	5,90,170/-	86,55,830/-	01 April, 2011 to 31 December, 2015	CESTAT, Delhi
		16,91,418/-	Nil	16,91,418/-	01 January, 2016 to 30th November, 2016	Commissioner, CE& ST, LTU, New Delhi
Income Tax Act, 1961	Income Tax	50,32,39,912/-	12,58,09,978/-	62,90,49,890/-	AY 2015-16	CIT (Appeals), New Delhi
Income Tax Act, 1961	Penalty	12,74,40,510/-	Nil*	12,74,40,510/-	AY 2012-13	CIT (Appeals-22), New Delhi
Income Tax Act, 1961	Penalty	17,79,83,470/-	Nil*	17,79,83,470/-	AY 2013-14	CIT (Appeals-22), New Delhi

*The due date of payment of penalty amount is 26/04/2018 against which stay has been granted upon payment of 20% of total demand, till 31/12/2018 or till disposal of Company's appeal before CIT(A), whichever is earlier. Accordingly an amount of ₹ 6,10,84,798/- (20% of total demand) has been deposited by the Company on 26/04/2018.

- viii. The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- ix. Money raised by the company by way of all types of debt instruments and term loans during the year was applied for the purposes for which it was raised.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.
- xi. Being a Government Company, Section 197 of Companies Act, 2013 does not apply to the Company. Accordingly, clause 3(xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xii. The Company is not a Nidhi Company. Hence, the Nidhi Rules, 2014 are not applicable to the Company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- xiii. All transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable. The details have been disclosed in the Financial Statements as per the requirement of the accounting standard.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- xv. The Company has not entered into any non-cash transactions with directors or persons connected with them which are covered under Section 192 of Companies Act, 2013.
- xvi. The Company is a Non- Banking Finance Company and has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.

FOR M.K. AGGARWAL & CO.

Chartered Accountants

Firm's Registration No.: 01411N

by the hand of

M.K. Aggarwal

CA M.K. AGGARWAL

Partner

Membership No. 014956



FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

by the hand of

Bhupinder Singh

CA BHUPINDER SINGH

Partner

Membership No.092867



Date: 25.05.2018

Place: New Delhi

Annexure-B to Independent Auditors' Report on the Standalone Financial Statements



(Referred to in our report of even date to the members of PFC Limited on the financial statements for the year ended 31 March 2018)

As required under the Sub-section 5 of Section 143 of the Companies Act 2013, with respect to the directions and sub-directions issued by The Comptroller & Auditor General of India, we report that:


Sl. No.	Questionnaire	Replies
1	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available.	Yes, the Company has clear title / lease deeds for freehold and leasehold land respectively.
2	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there of and the amount involved.	<p>i. Commitment charges aggregating to ₹ 0.80 crore were waived off in respect of four borrowers as per the request of the borrower and extant delegation of powers.</p> <p>ii. Additional Interest aggregating to ₹ 22.80 crore were waived off in respect of three borrowers as per the request of the borrowers and extant delegation of powers.</p> <p>iii. Interest on Interest aggregating to ₹ 5.46 crore were waived off in respect of four borrowers as per the request of the borrowers and extant delegation of powers.</p> <p>iv. Penal Interest aggregating to ₹ 1.10 crore were waived off in respect of five borrowers as per the request of the borrowers and extant delegation of powers.</p>
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Govt. or other authorities?	N.A.
4	In respect of provisioning requirement of all restructured, rescheduled or renegotiated loan, whether a system of periodical assessment of realizable value of securities available against all such loans is in place and adequate provision has been created during the year? Any deficiencies in this regard may be suitably commented upon	The Company follows RBI Master Directions for provisioning requirement of Restructured, Rescheduled or Renegotiated loans and accordingly adequate provision has been created. Security valuation is not required on loan assets under reference. Accordingly, the sub-direction is not applicable to that extent. A

along with financial implication.	system for periodical assessment of realizable value of securities available is in place, wherever required by RBI Master Directions.
-----------------------------------	---

FOR M.K. AGGARWAL & CO.
 Chartered Accountants
 Firm's Registration No.: 001411N
 by the hand of



CA M.K. AGGARWAL
 Partner
 Membership No.014956

FOR GANDHI MINOCHA & CO.
 Chartered Accountants
 Firm's Registration No.: 000458N
 by the hand of



CA BHUPINDER SINGH
 Partner
 Membership No.092867

Date: 25.05.2018
Place: New Delhi

Annexure – C to the Independent Auditors’ Report on the Standalone Financial Statements

(Referred to in our report of even date to the members of PFC Limited on the financial statements for the year ended 31 March 2018)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of Power Finance Corporation Limited (“the Company”) as of 31 March, 2018 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI prescribed under Sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A



company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of the Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION


In our opinion, the Company has, in all material respects, an internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR M.K. AGGARWAL & CO.

Chartered Accountants

Firm's Registration No.: 01411N

by the hand of



CA M.K. AGGARWAL
Partner
Membership No.014956

FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

by the hand of



CA BHUPINDER SINGH
Partner
Membership No.092867

Date: 25.05.2018

Place: New Delhi

POWER FINANCE CORPORATION LIMITED
CIN L65910DL1986GOI024862
BALANCE SHEET AS AT 31 MARCH, 2018

₹ in Crore

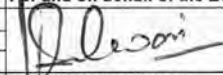
Description	Note Part	As at 31.03.2018		As at 31.03.2017	
A EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(i) Share Capital	A-1	2,640.08		2,640.08	
(ii) Reserves & Surplus	A-2	37,220.59	39,860.67	33,830.13	36,470.21
(2) Non-Current Liabilities					
(i) Long Term Borrowings	A-3				
	Secured	13,350.64		20,106.17	
	Un-secured	1,78,148.04	1,91,498.68	1,54,735.19	1,74,841.36
(ii) Deferred Tax Liabilities (Net)	C-26		300.90		250.51
(iii) Other Long Term Liabilities	A-4		5,917.82		6,142.58
(iv) Long Term Provisions	A-5		2,245.82		2,662.83
(3) Current Liabilities					
(i) Short -Term Borrowings	A-3				
	Secured	0.00		2,400.79	
	Un-secured	6,924.74		0.00	
(ii) Other Current Liabilities					
a) Current Maturity of Long Term Borrowings	A-3				
	Secured	7,050.94		3.70	
	Un-secured	24,063.99		25,342.19	
b) Other Short Term Liabilities	A-4		7,879.18		8,420.17
(iii) Short Term Provisions	A-5		722.43		46,641.28
			46,641.28		1,927.11
					38,093.96
Total			2,86,465.17		2,58,461.45
B ASSETS					
(1) Non-Current Assets					
(i) Fixed Assets	A-6				
a) Tangible Assets		109.03		106.51	
Less: Accumulated Depreciation		45.09	63.94	44.63	61.88
b) Intangible Assets		9.46		8.95	
Less: Accumulated Amortization		8.57	0.89	8.26	0.69
c) Intangible Assets under Development			0.00		0.00
(ii) Non-Current Investments	A-7				
	Trade	465.60		465.60	
	Others	800.00	1,265.60	1,800.00	2,265.60
(iii) Long Term Loans	A-8				
	Secured	1,55,786.78		1,38,306.30	
	Un-Secured	79,033.75	2,34,820.53	62,026.71	2,00,333.01
(iv) Other Non-Current Assets	A-9		5,891.71		5,568.49
(2) Current Assets					
(i) Current Investments	A-10	1,070.76		1,325.53	
(ii) Cash and Bank Balances	A-11	553.20		3,573.15	
(iii) Short Term Loans	A-8				
	Secured	6,351.65		1,490.49	
	Un-Secured	5,083.77		4,468.71	
(iv) Other Current Assets					
a) Current Maturity of Long Term Loans	A-8				
	Secured	21,429.53		28,635.13	
	Un-Secured	5,126.68		5,241.68	
b) Others	A-9	4,806.91	44,422.50	5,497.09	50,231.78
Total			2,86,465.17		2,58,461.45

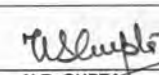
SIGNIFICANT ACCOUNTING POLICIES Part B

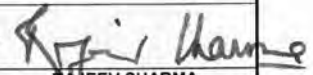
OTHER NOTES ON ACCOUNTS Part C

Notes from Part A to Part C form integral part of Financial Statements.

For and on behalf of the Board of Directors


(MANOHAR BALWANI)
Company Secretary

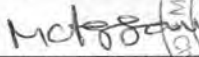

N.B. GUPTA
Director (Finance)
DIN - 00530741


RAJEEV SHARMA
Chairman & Managing Director
DIN - 00973413

Signed in terms of our report of even date attached

For M.K. Aggarwal & Co. Chartered Accountants
Firm Regn. No - 01411N

For Gandhi Minocha & Co. Chartered Accountants
Firm Regn. No.: 000458N


(CA M. K. AGGARWAL)
PARTNER

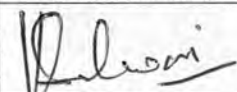
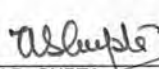
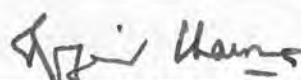



(CA BHUPINDER SINGH)
PARTNER

Place : New Delhi
Date : 25.05.2018

Membership No - 014956

Membership No - 092867



POWER FINANCE CORPORATION LIMITED				
CIN L65910DL1986GOI024862				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018				
(₹ in Crore)				
Description	Note Part	Year ended 31.03.2018		Year ended 31.03.2017
I. Revenue from Operations	A-12			
Interest		25,820.86		26,270.08
Other Operating Income		271.37		321.11
Other Financial Services		322.24	26,414.47	316.34
				26,907.53
II. Other Income				
Other Income	A-13		323.27	111.04
III. Total Income (I + II)			26,737.74	27,018.57
IV. Expenses				
Finance Costs	A-14		17,204.85	16,432.69
Borrowing Expenses	A-15		28.16	26.58
Employee Benefit Expenses	A-16		166.78	114.97
Provisions	C-12		560.83	5,101.08
Provision for decline in value of investments	A-10		254.51	(7.51)
Depreciation and Amortization expenses	A-6		6.41	5.56
CSR Expenses	C-18		118.18	166.15
Other Expenses	A-17		71.00	67.79
Prior Period Items (Net)	A-18		0.07	1.47
Total Expenses			18,410.79	21,908.78
V. Profit before exceptional and extraordinary items and tax (III-IV)			8,326.95	5,109.79
VI. Exceptional Items			0.00	0.00
VII. Profit before extraordinary items and tax (V-VI)			8,326.95	5,109.79
VIII. Extraordinary Items			0.00	0.00
IX. Profit Before Tax (VII-VIII)			8,326.95	5,109.79
X. Tax Expenses				
(1) Current Tax				
Current Year		2,421.76		3,074.39
Earlier Years		(0.42)	2,421.34	(0.09)
				3,074.30
(2) Deferred Tax liability(+) / Asset(-)	C-26		50.39	(90.90)
XI. Profit (Loss) for the year from continuing operations (IX-X)			5,855.22	2,126.39
XII. Earnings per equity share of par value of ₹ 10/- each	C-27			
Basic (₹)			22.18	8.05
Diluted (₹)			22.18	8.05
SIGNIFICANT ACCOUNTING POLICIES	Part B			
OTHER NOTES ON ACCOUNTS	Part C			
Notes from Part A to Part C form integral part of Financial Statements.				
For and on behalf of the Board of Directors				
				
(MANOHAR BALWANI)		N.B. GUPTA	RAJEEV SHARMA	
Company Secretary		Director (Finance)	Chairman & Managing Director	
		DIN - 00530741	DIN - 00973413	
Signed in terms of our report of even date attached				
		For M.K. Aggarwal & Co.	For Gandhi Minocha & Co.	
		Chartered Accountants	Chartered Accountants	
		Firm Regn. No - 01411N	Firm Regn. No.: 000458N	
				
		(CA M. K. AGGARWAL)	(CA BHUPINDER SINGH)	
		PARTNER	PARTNER	
Place : New Delhi		Membership No - 014956	Membership No - 092867	
Date : 25.05.2018				

POWER FINANCE CORPORATION LIMITED

CIN L65910DL1986GOI024862

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

(₹ in Crore)

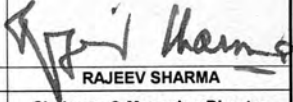
Description	Note Part	Year ended 31.03.2018	Year ended 31.03.2017
I. Cash Flow from Operating Activities :-			
Net Profit before Tax and Extraordinary items		8,326.95	5,109.79
ADD: Adjustments for			
Loss on Sale of Fixed Assets (net)		0.42	0.16
Profit on sale of Investments	A-13	(0.78)	(0.50)
Depreciation / Amortization (including Prior period depreciation)	A-6	6.41	5.78
Amortization of Zero Coupon Bonds & Commercial Papers		(66.41)	99.49
Foreign Exchange Translation Loss		229.55	221.48
Net Change in Fair Value of Derivatives	A-14	132.45	(178.15)
Provision for decline in value of investments		254.51	(7.51)
Provisions	C-12	560.83	5101.08
Dividend on investment	A-13	(146.32)	(93.77)
CSR Expenses		0.00	166.15
Interest Subsidy Fund		6.31	2.22
Provision for interest under IT Act		0.00	0.69
Excess Liabilities & Provisions written back	A-13	(164.92)	(0.12)
Provision for Retirement Benefits / Other Welfare Expenses / Wage revision		72.39	18.59
Operating profit before Working Capital Changes:		9,211.39	10,445.38
Increase / Decrease :			
Loan Assets (Net)		(33,387.74)	(6,939.35)
Other Assets		13.78	(4,625.63)
Foreign Currency Monetary Item Translation Difference A/c	A-2(C)(v)	(1.09)	92.18
Liabilities and provisions		(746.51)	6347.39
Cash flow before extraordinary items		(24,910.17)	5,319.97
Extraordinary items		0.00	0.00
Cash Inflow / Outflow from operations before Tax		(24,910.17)	5,319.97
Income Tax paid		(2,619.53)	(3,302.04)
Income Tax Refund		1.36	68.61
Net Cash flow from Operating Activities		(27,528.34)	2,086.54
II. Cash Flow From Investing Activities :			
Sale / adjustment of Tangible / Intangible Assets		0.23	0.09
Purchase of Tangible / Intangible Assets	A-6	(9.32)	(4.51)
Increase / decrease in Intangible assets under development	A-6	0.00	(0.02)
Dividend on investment		146.23	93.77
Purchase / Sale of Other Investments		1,001.04	(564.55)
Net Cash Used in Investing Activities		1138.18	(475.22)
III. Cash Flow From Financing Activities :			
Issue of Bonds (including premium) (Net)		4,046.30	18,570.20
Raising of Long Term Loans (Net)		8,525.00	(9,000.00)
Foreign Currency Loans (Net)		9,584.90	(2,559.98)
Commercial paper (Net)		7,030.00	(5,350.00)
Loan Against Fixed Deposits / Working Capital Demand Loan / OD / CC / Line of Credit (Net)		(2,400.79)	115.59
Unclaimed Bonds (Net)		3.41	(3.32)
Unclaimed Dividend (Net)		1.20	(0.29)
Payment of Final Dividend of Previous year		0.00	(79.20)
Payment of Interim Dividend of Current / Previous year*		(2,505.30)	0.00
Payment of Corporate Dividend Tax		(471.59)	(217.64)
Net Cash in-flow from Financing Activities		23,813.13	1,475.36
Net Increase / Decrease in Cash & Cash Equivalents		(2,577.03)	3,086.68
Add : Cash & Cash Equivalents at beginning of the financial year		3,114.74	28.06
Cash & Cash Equivalents at the end of the financial year		537.71	3,114.74



Details of Cash & Cash Equivalents at the end of the year:		A-11			
i)	Balances in current accounts with:				
	Reserve Bank of India		0.02	0.02	
	Scheduled Banks		4.74	4.76	42.84
ii)	Cheques in hand			0.00	0.00
iii)	Imprest with postal authority			0.00	0.00
iv)	Fixed Deposits with Scheduled Banks (original maturity up to three months)			532.95	3,071.88
	Sub Total (I)		537.71		3,114.74
Details of Earmarked Cash and Bank Balances at the end of the year:		A-11			
i)	Balances in current accounts with scheduled banks for payment of interest on bonds, dividend, etc.			11.04	458.41
ii)	IPDS / R-APDRP				
	Balances in current account with schedule banks			4.45	0.00
	Sub Total (II)			15.49	458.41
	Total Cash and Bank Balance at the end of the year (I+II)			553.20	3,573.15

* Out of interim dividend provision of ₹ 1320.04 crore as on 31.03.2017, ₹ 874 crore has been adjusted against advance paid to Gol & remaining ₹ 446.04 crore has been paid during the current year.

For and on behalf of the Board of Directors

		
(MANOHAR BALWANI)	N.B. GUPTA	RAJEEV SHARMA
Company Secretary	Director (Finance)	Chairman & Managing Director
	DIN - 00530741	DIN - 00973413
	Signed in terms of our report of even date attached	
	For M.K. Aggarwal & Co. Chartered Accountants Firm Regn. No - 01411N	For Gandhi Minocha & Co. Chartered Accountants Firm Regn. No.: 000458N
		
	(CA M. K. AGGARWAL) PARTNER	(CA BHUPINDER SINGH) PARTNER
Place : New Delhi	Membership No - 014956	Membership No - 092867
Date : 25.05.2018		

NOTE - Part A - 1
SHARE CAPITAL

(₹ in Crore)

Description		As at 31.03.2018	As at 31.03.2017
A	Authorized :		
	10,00,00,00,000 Equity shares of par value of ₹ 10/- each (Previous year 10,00,00,00,000 equity shares of par value of ₹ 10/- each)	10,000.00	10,000.00
	Total	10,000.00	10,000.00
B	Issued, subscribed and fully paid up :		
	2,64,00,81,408 Equity shares of ₹ 10/- each fully paid-up (Previous year 2,64,00,81,408 equity shares of ₹ 10/- each fully paid up)	2,640.08	2,640.08
	Total	2,640.08	2,640.08

Notes:-

- During the year, the Company has neither issued nor bought back any shares.
- The Company has only one class of equity shares having a par value of ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meetings of shareholders.
- Redeemable preference shares as on 31.03.2018 stand at Nil (Previous year Nil).
- During the year, no shares have been allotted under ESOP scheme.
- Information on shares in the Company held by each shareholder holding more than 5 percent of paid -up equity share capital :

Name of Holders		As at 31.03.2018	As at 31.03.2017
President of India	% of Share Holding	65.92	66.35
	No. of Shares Held	1,74,02,16,107	1,75,16,31,394
Life Insurance Corporation of India	% of Share Holding	5.96	8.65
	No. of Shares Held	15,74,76,305	22,82,52,101

- During the year, Government of India (GoI) has transferred 1,14,15,287 number of equity shares held in the Company, in connection with New Fund Offer, to the Asset Management Company (AMC) of Bharat 22 ETF.
- Information of aggregate number and class of shares allotted as fully paid-up by way of bonus shares for the period of 5 years immediately preceding the date of Balance Sheet:

Particulars	No of Shares issued	Year of issue
Issue of fully paid-up equity shares of face value ₹ 10/- each with rights at par with existing equity shares in the ratio of 1:1	1,32,00,40,704	2016-17



NOTE - Part A - 2

RESERVES & SURPLUS

(₹ in Crore)

Description	As at 31.03.2018		As at 31.03.2017	
(A) Securities Premium Account				
Opening balance	2,776.54		4,096.58	
Less: Utilization for Bonus Issue	0.00	2,776.54	1,320.04	2776.54
(B) Debenture Redemption Reserve (Refer Note No. 4(A) of Part-C - Other Notes on Accounts)				
Opening balance	1,434.17		1,172.55	
Add : Transfer from Surplus	292.65		298.02	
Less: Transfer to Surplus on account of utilization	0.00	1,726.82	36.40	1,434.17
(C) Others				
(i) Reserve for Bad & doubtful debts u/s 36(1)(vii)(c) of Income-Tax Act,1961				
Opening balance	3,014.69		2,547.14	
Add : Transfer from Surplus	368.30	3,382.99	467.55	3,014.69
(ii) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 upto Financial Year 1996-97		599.85		599.85
(iii) Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98				
Opening balance	14,310.69		12,506.91	
Add : Transfer from Surplus	1,585.24	15,895.93	1,803.78	14,310.69
(iv) General Reserve				
Opening balance	5,438.68		5,364.33	
Add : Transfer from Surplus	1,000.00		0.00	
Add : Gain - Change in fair value of derivatives	0.00	6,438.68	74.35	5,438.68
(v) Foreign Currency Monetary Item Translation Difference A/c (Refer Note No. 5(C) of Part-C - Other Notes on Accounts)				
Opening balance	(647.56)		(739.74)	
Add : Net addition during the year	(1.09)	(648.65)	92.18	(647.56)
(vi) Interest Differential Reserve - KFW Loan				
Opening balance	0.00		0.00	
Add : Transfer from Surplus (net)*	57.90	57.90	0.00	0.00
(D) Surplus				
Opening balance	6,903.07		8,898.37	
Add : Profit after tax for the year	5,855.22		2,126.39	
Less : Transfer to / from Reserves				
Transfer to Reserve for Bad & Doubtful Debts u/s 36(1)(vii)(c) of Income Tax Act, 1961	368.30		467.55	
Transfer to Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961	1,585.24		1,803.78	
Transfer to Debenture Redemption Reserve	292.65		298.02	
Transfer to General Reserve	1000.00		0.00	
Transfer to Interest Differential Reserve - KFW Loan (net)*	57.90		0.00	
Less : Dividend & Corporate Dividend Tax				
Interim Dividend (Refer Note No. 28(A) of Part-C - Other Notes on Accounts)	2,059.26		1,320.04	
Corporate Dividend Tax on Interim Dividend	404.41		268.73	
Adjustments during the Year				
Add: Transfer from Debenture Redemption Reserve on account of utilization	0.00		36.40	
Add: Adjustment made during the year	0.00	6,990.53	0.03	6,903.07
Total (A) + (B) + (C) +(D)		37,220.59		33,830.13

* Transfer to Surplus on account of utilisation amounts to ₹ 1.51 crore (Previous year Nil)



NOTE - Part A - 3						
BORROWINGS						
(₹ in Crore)						
Description	As at 31.03.2018			As at 31.03.2017		
	Current	Non-Current	Total	Current	Non-Current	Total
A. Long Term Borrowings						
I. Secured						
Bonds						
Infrastructure Bonds (Refer Note No. I)	40.94	243.38	284.32	3.70	281.06	284.76
Tax Free Bonds (Refer Note No. II)	0.00	12,275.11	12,275.11	0.00	12,275.11	12,275.11
Other Taxable Bonds (Refer Note No. III)	7,010.00	540.00	7,550.00	0.00	7,550.00	7,550.00
Capital Gain Tax Exemption Bonds (Refer Note No. IV)	0.00	292.15	292.15	0.00	0.00	0.00
Sub Total (I)	7,050.94	13,350.64	20,401.58	3.70	20,106.17	20,109.87
II. Unsecured						
a) Bonds						
Other Bonds / Debentures (Refer Note No. V & VI)	21,705.00	1,47,921.95	1,69,626.95	24,155.40	1,41,678.10	1,65,833.50
Subordinated Bonds (Refer Note No. VII)	0.00	3,800.00	3,800.00	0.00	3,800.00	3,800.00
Foreign Currency Notes (Refer Note No. VIII)	0.00	2,607.00	2,607.00	1,167.30	0.00	1,167.30
	21,705.00	1,54,328.95	1,76,033.95	25,322.70	1,45,478.10	1,70,800.80
b) Foreign Currency Loans						
Foreign Currency Loans from Foreign banks / Financial Institutions (Guaranteed by the Govt. of India) (Refer Note No. IX)	21.19	180.29	201.48	19.49	184.74	204.23
Syndicated Foreign Currency Loans from Banks & Financial Institutions (Refer Note No. X)	0.00	12,462.05	12,462.05	0.00	7,072.35	7,072.35
Foreign Currency Loans (FCNR(B) from banks) (Refer Note No. XI)	2,337.80	651.75	2,989.55	0.00	0.00	0.00
	2,358.99	13,294.09	15,653.08	19.49	7,257.09	7,276.58
c) Rupee Term Loans						
Rupee Term Loans (From Banks / Financial Institutions) (Refer Note No XII & XIII)	0.00	10,525.00	10,525.00	0.00	2,000.00	2,000.00
	0.00	10,525.00	10,525.00	0.00	2,000.00	2,000.00
Sub Total (II)	24,063.99	1,78,148.04	2,02,212.03	25,342.19	1,54,735.19	1,80,077.38
B. Short Term Borrowings						
I. Secured						
Loan against FD (From Banks)	0.00	0.00	0.00	2,400.79	0.00	2,400.79
Sub Total (I)	0.00	0.00	0.00	2,400.79	0.00	2,400.79
II. Unsecured						
Commercial Paper (Refer Note No. XIV)	6,924.74	0.00	6,924.74	0.00	0.00	0.00
Sub Total (II)	6,924.74	0.00	6,924.74	0.00	0.00	0.00
Total (A) + (B)	38,039.67	1,91,498.68	2,29,538.35	27,746.68	1,74,841.36	2,02,588.04



Notes:-

I. Details of Infrastructure Bonds outstanding as at 31.03.2018 are as follows:

	Bond Series	Date of allotment	Rate of Interest p.a.	Amount (₹ in crore)	Date of Redemption	Redemption details	Nature of Security	Extent of Security
1	Infrastructure Bonds 86 C Series	30.03.2012	8.72%	0.87	30-Mar-27	Redeemable at par on a date falling fifteen years from the date of allotment.	Secured by first pari-passu charge of present and future receivables (excluding those receivables which are specifically charged for infra bond issue during the FY 2010-11) along with first pari passu charge on immovable property situated at Guindy, Chennai.	100%
2	Infrastructure Bonds 86 D Series	30.03.2012	8.72%	2.40	30-Mar-27	Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment.		
3	Infrastructure Bonds 86 A Series	30.03.2012	8.43%	7.39	30-Mar-22	Redeemable at par on a date falling ten years from the date of allotment.	Secured by first pari-passu charge of present and future receivables (excluding those receivables which are specifically charged for infra bond issue during the FY 2010-11) along with first pari passu charge on immovable property situated at Guindy, Chennai.	100%
4	Infrastructure Bonds 86 B Series	30.03.2012	8.43%	15.47	30-Mar-22	Redeemable at par with cumulative interest compounded annually, on a date falling ten years from the date of allotment.		
5	Infrastructure Bonds (2011-12) Series-I	21.11.2011	8.50%	21.85	21-Nov-21	Redeemable at par on a date falling ten years from the date of allotment.	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created) along with first pari-passu charge on immovable property situated at Guindy, Chennai.	100%
6	Infrastructure Bonds (2011-12) Series-II	21.11.2011	8.50%	36.34	21-Nov-21	redeemable at par with cumulative interest compounded annually, on a date falling ten years from the date of allotment.		
7	Infrastructure Bonds (2010-11) Series-1	31.03.2011	8.30%	49.95	31-Mar-21	Redeemable at par on a date falling ten years from the date of allotment.	Secured by charge on specific book debt of ₹ 3,090.80 crore as on 31.03.2016 of the Company along with first charge on immovable property situated at Jangpura, New Delhi.	100%
8	Infrastructure Bonds (2010-11) Series-2	31.03.2011	8.30%	109.11	31-Mar-21	Redeemable at par with cumulative interest compounded annually, on a date falling ten years from the date of allotment.		
9	Infrastructure Bonds (2011-12) Series-III	21.11.2011	8.75%	3.23	22-Nov-18	On exercise of put option by the bondholders, redeemable at par, on a date, falling seven years and one day from the date of allotment; otherwise , redeemable at par on a date falling fifteen years from the date of allotment.	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created) along with first pari-passu charge on immovable property situated at Guindy, Chennai.	100%
10	Infrastructure Bonds (2011-12) Series - IV	21.11.2011	8.75%	8.83	22-Nov-18	On exercise of put option by the bondholders, redeemable at par with cumulative interest compounded annually, on a date, falling seven years and one day from the date of allotment; otherwise , redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment.		
11	Infrastructure Bonds (2010-11) Series-3	31.03.2011	8.50%	6.13	1-Apr-18	On exercise of put option by the bondholders, redeemable at par, on a date, falling seven years and one day from the date of allotment; otherwise , redeemable at par on a date falling fifteen years from the date of allotment.	Secured by charge on specific book debt of ₹ 3,090.80 crore as on 31.03.2016 of the Company along with first charge on immovable property situated at Jangpura, New Delhi.	100%
12	Infrastructure Bonds (2010-11) Series-4	31.03.2011	8.50%	22.75	1-Apr-18	On exercise of put option by the bondholders, redeemable at par with cumulative interest compounded annually, on a date, falling seven years and one day from the date of allotment; otherwise , redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment.		
	Total			284.32				



II. Details of Tax Free Bonds outstanding as at 31.03.2018 are as follows:

	Bond Series	Date of allotment	Rate of Interest p.a.	Amount (₹ in crore)	Date of Redemption	Nature of Security	Extent of Security
13	Tax Free Bonds 2015-16 SR-3A	17-Oct-15	7.35%	213.57	17-Oct-35	Total book debts of the Company (excluding the book debts on which specific charge has already been created), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies what so ever payable / repayable by the Company to the Bondholders and / or others under / pursuant to the transaction documents.	100%
14	Tax Free Bonds 2015-16 SR-3B	17-Oct-15	7.60%	155.48	17-Oct-35		
15	Tax Free Bonds (2013-14) - Series 3A	16-Nov-13	8.67%	1,067.38	16-Nov-33	Total book debts of the Company (excluding the book debts on which specific charge has already been created), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies what so ever payable / repayable by the Company to the Bondholders and / or others under / pursuant to the transaction documents.	100%
16	Tax Free Bonds (2013-14) - Series 3B	16-Nov-13	8.92%	861.96	16-Nov-33		
17	Tax Free Bonds 2015-16 SR-2A	17-Oct-15	7.27%	131.33	17-Oct-30	Total book debts of the Company (excluding the book debts on which specific charge has already been created), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies what so ever payable / repayable by the Company to the Bondholders and / or others under / pursuant to the transaction documents.	100%
18	Tax Free Bonds 2015-16 SR-2B	17-Oct-15	7.52%	45.18	17-Oct-30		
19	Tax Free Bonds (2013-14) - Series 2A	16-Nov-13	8.54%	932.70	16-Nov-28	Total book debts of the Company (excluding the book debts on which specific charge has already been created), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies what so ever payable / repayable by the Company to the Bondholders and / or others under / pursuant to the transaction documents.	100%
20	Tax Free Bonds (2013-14) - Series 2B	16-Nov-13	8.79%	353.32	16-Nov-28		
21	Tax Free Bonds Series 107 B	30-Aug-13	8.46%	1,011.10	30-Aug-28	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.	100%
22	Tax Free Bonds (2012-13) tranche - II - Series II	28-Mar-13	7.04%	7.78	28-Mar-28	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created)	100%
23	Tax Free Bonds (2012-13) tranche - II - Series II	28-Mar-13	7.54%	61.43	28-Mar-28		
24	Tax Free Bonds (2012-13) tranche - I - Series II	4-Jan-13	7.36%	155.22	4-Jan-28	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created) along with first pari-passu charge on immovable property situated at Guindy, Chennai.	100%
25	Tax Free Bonds (2012-13) tranche - I - Series II	4-Jan-13	7.86%	201.77	4-Jan-28		
26	Tax Free Bonds Series 95 B	29-Nov-12	7.38%	100.00	29-Nov-27	First pari passu charge on the Immovable Property situated at Chennai. All present and future receivables/ loan assets of the Company, together with the underlying security, excluding the receivables on which specific charge has already been created by the Company.	100%
27	Tax Free Bonds Series 94 B	22-Nov-12	7.38%	25.00	22-Nov-27		
28	Tax Free Bonds(2011-12) tranche -I - Series II	1-Feb-12	8.30%	1,280.58	1-Feb-27	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created) along with first pari-passu charge on immovable property situated at Guindy,Chennai.	100%
29	Tax Free Bonds Series 80 B	25-Nov-11	8.16%	209.34	25-Nov-26	Secured by first pari-passu charge of present and future receivables (excluding those receivables which are specifically charged for infra bond issue during the FY 2010-11) along with first pari passu charge on immovable property situated at Guindy, Chennai.	100%
30	Tax Free Bonds Series 79 B	15-Oct-11	7.75%	217.99	15-Oct-26	Secured by first pari-passu charge of present and future receivables (excluding those receivables which are specifically charged for infra bond issue during the FY 2010-11) along with first pari passu charge on immovable property situated at Guindy, Chennai.	100%



31	Tax Free Bonds 2015-16 SR-1A	17-Oct-15	7.11%	75.09	17-Oct-25	Total book debts of the Company (excluding the book debts on which specific charge has already been created), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies what so ever payable / repayable by the Company to the Bondholders and / or others under / pursuant to the transaction documents.	100%
32	Tax Free Bonds 2015-16 SR-1B	17-Oct-15	7.36%	79.35	17-Oct-25		
33	Tax Free Bonds Series 136	17-Jul-15	7.16%	300.00	17-Jul-25	First pari passu charge on Total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.	100%
34	Tax Free Bonds (2013-14) - Series 1A	16-Nov-13	8.18%	325.07	16-Nov-23	Total book debts of the Company (excluding the book debts on which specific charge has already been created), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies what so ever payable / repayable by the Company to the Bondholders and / or others under / pursuant to the transaction documents.	100%
35	Tax Free Bonds (2013-14) - Series 1B	16-Nov-13	8.43%	335.47	16-Nov-23		
36	Tax Free Bonds Series 107 A	30-Aug-13	8.01%	113.00	30-Aug-23	First pari passu charge on Total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.	100%
37	Tax Free Bonds (2012-13) tranche - II - Series I	28-Mar-13	6.88%	50.93	28-Mar-23	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created)	100%
38	Tax Free Bonds (2012-13) tranche - II - Series I	28-Mar-13	7.38%	45.23	28-Mar-23		
39	Tax Free Bonds (2012-13) tranche - I - Series I	4-Jan-13	7.19%	189.57	4-Jan-23	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created) along with first pari-passu charge on immovable property situated at Guindy,Chennai.	100%
40	Tax Free Bonds (2012-13) tranche - I - Series I	4-Jan-13	7.69%	153.18	4-Jan-23		
41	Tax Free Bonds Series 95 A	29-Nov-12	7.22%	30.00	29-Nov-22	First pari passu charge on the Immovable Property situated at Chennai. All present and future receivables/ loan assets of the Company, together with the underlying security, excluding the receivables on which specific charge has already been created by the Company.	100%
42	Tax Free Bonds Series 94 A	29-Nov-12	7.21%	255.00	22-Nov-22		
43	Tax Free Bonds(2011-12) tranche -I - Series I	1-Feb-12	8.20%	2,752.55	1-Feb-22	Secured by first pari-passu charge on total receivables of the Company (excluding those receivables on which specific charge already created) along with first pari-passu charge on immovable property situated at Guindy,Chennai.	100%
44	Tax Free Bonds Series 80 A	25-Nov-11	8.09%	334.31	25-Nov-21	Secured by first pari-passu charge of present and future receivables (excluding those receivables which are specifically charged for infra bond issue during the FY 2010-11) along with first pari passu charge on immovable property situated at Guindy, Chennai.	100%
45	Tax Free Bonds Series 79 A	15-Oct-11	7.51%	205.23	15-Oct-21		
Total				12,275.11			



III. The details of Other Taxable Bonds (Secured) outstanding as at 31.03.2018 are as follows:							
	Bond Series	Date of allotment	Rate of Interest p.a.	Amount (₹ in crore)	Date of Redemption	Nature of Security	Extent of Security
46	Taxable Bonds Series 112 C	31-Jan-14	9.70%	270.00	31-Jan-21	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.	100%
47	Taxable Bonds Series 112 B	31-Jan-14	9.70%	270.00	31-Jan-20	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.	100%
48	Taxable Bonds Series 113	3-Mar-14	9.69%	2,240.00	3-Mar-19	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.	100%
49	Taxable Bonds Series 112 A	31-Jan-14	9.70%	270.00	31-Jan-19	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.	100%
50	Taxable Bonds Series 109	7-Oct-13	9.81%	4,500.00	7-Oct-18	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.	100%
Total				7,550.00			

IV. Details of Capital Gain Tax Exemption Bonds outstanding as at 31.03.2018 are as follows:

51	PFC Capital Gain Bonds Series 1 (2017-18)	Amount (₹ in crore)	Nature of Security	Extent of Security
	5.25% Redeemable at par during financial year 2020-21	292.15	First pari passu charge on total receivables of the Company, excluding the Receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.	100%
Total		292.15		



V. Details of Zero Coupon Bonds as on 31.03.2018 are as follows :

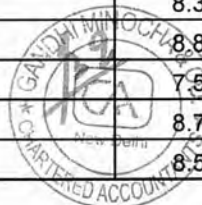
	Bond Series	Face Value (₹ in crore)	Date of Redemption	Amount (₹ in crore)
	Zero Coupon unsecured Taxable Bonds 2022-XIX Series (net of Unamortized Interest of ₹ 231.55 crore)	750.00	30-Dec-22	518.45

VI. Details of Other Unsecured Taxable Bonds as on 31.03.2018 are as follows :

	Bond Series	Coupon Rate	Date of Redemption	Amount (₹ in crore)
1	Series 71	9.05%	15-Dec-30	192.70
2	Series 66-C	8.85%	15-Jun-30	633.00
3	Series 118-B-III	9.39%	27-Aug-29	460.00
4	Series 103	8.94%	25-Mar-28	2,807.00
5	Series 102-A(III)	8.90%	18-Mar-28	403.00
6	Series 101-B	9.00%	11-Mar-28	1,370.00
7	Series 172	7.74%	29-Jan-28	850.00
8	Series 171	7.62%	15-Dec-27	5,000.00
9	Series 170B	7.65%	22-Nov-27	2,001.00
10	Series 169B	7.30%	7-Aug-27	1,500.00
11	Series 168B	7.44%	11-Jun-27	1,540.00
12	Series 155	7.23%	5-Jan-27	2,635.00
13	Series 152	7.55%	25-Sep-26	4,000.00
14	Series 151B	7.56%	16-Sep-26	210.00
15	Series 77-B	9.45%	1-Sep-26	2,568.00
16	Series 150B	7.63%	14-Aug-26	1,675.00
17	Series 76-B	9.46%	1-Aug-26	1,105.00
18	Series 147	8.03%	2-May-26	1,000.00
19	Series 71	9.05%	15-Dec-25	192.70
20	Series 141-B	8.40%	18-Sep-25	1,000.00
21	Series 66-B	8.75%	15-Jun-25	1,532.00
22	Series 65	8.70%	14-May-25	1,337.50
23	Series 130-C	8.39%	19-Apr-25	925.00
24	Series 64-III	8.95%	30-Mar-25	492.00
25	Series 131-C	8.41%	27-Mar-25	5,000.00
26	Series 63-III	8.90%	15-Mar-25	184.00
27	Series 128	8.20%	10-Mar-25	1,600.00
28	Series 62-B	8.80%	15-Jan-25	1,172.60
29	Series 126	8.65%	4-Jan-25	5,000.00
30	Series 125	8.65%	28-Dec-24	2,826.00
31	Series 61	8.50%	15-Dec-24	351.00
32	Series 124-C	8.48%	9-Dec-24	1,000.00
33	Series 120-A	8.98%	8-Oct-24	961.00
34	Series 120-B	8.98%	8-Oct-24	950.00
35	Series 118-B-II	9.39%	27-Aug-24	460.00
36	Series 117-B	9.37%	19-Aug-24	855.00
37	Series 57-C	8.60%	7-Aug-24	866.50
38	Series 85-D	9.26%	15-Apr-23	736.00
39	Series 102-A(II)	8.90%	18-Mar-23	403.00
40	Series 102-B	8.87%	18-Mar-23	70.00
41	Series 100-B	8.84%	4-Mar-23	1,310.00
42	Series 176B	7.99%	20-Dec-22	1,295.00
43	Series 170A	7.35%	22-Nov-22	800.00



44	Series 92-C	9.29%	21-Aug-22	640.00
45	Series 169A	7.10%	8-Aug-22	3,395.00
46	Series 91-B	9.39%	29-Jun-22	2,695.20
47	Series 168A	7.28%	10-Jun-22	1,950.00
48	Series 88-C	9.48%	15-Apr-22	184.70
49	Series 154	7.27%	22-Dec-21	1,101.00
50	Series 124-B	8.55%	9-Dec-21	1,200.00
51	Series 123-C	8.66%	27-Nov-21	200.00
52	Series 153	7.40%	30-Sep-21	1,830.00
53	Series 78-B	9.44%	23-Sep-21	1,180.00
54	Series 151A	7.47%	16-Sep-21	2,260.00
55	Series 150A	7.50%	16-Aug-21	2,660.00
56	Series 76-A	9.36%	1-Aug-21	2,589.40
57	Series 115-III	9.20%	7-Jul-21	700.00
58	Series 75-C	9.61%	29-Jun-21	2,084.70
59	Series 74	9.70%	9-Jun-21	1,693.20
60	Series 28	8.85%	31-May-21	600.00
61	Series 146	8.05%	27-Apr-21	300.00
62	Series 73	9.18%	15-Apr-21	1,000.00
63	Series 175	7.75%	15-Apr-21	600.00
64	Series 173B	7.73%	5-Apr-21	1,325.00
65	Series 173A	7.73%	12-Mar-21	505.00
66	Series 72-B	8.99%	15-Jan-21	1,219.00
67	Series 71	9.05%	15-Dec-20	192.70
68	Series 70	8.78%	15-Nov-20	1,549.00
69	Series 141-A	8.46%	18-Sep-20	1,000.00
70	Series 163	7.50%	17-Sep-20	2,435.00
71	Series 140-B	8.36%	4-Sep-20	1,250.00
72	Series 138	8.45%	10-Aug-20	1,000.00
73	Series 137	8.53%	24-Jul-20	2,700.00
74	Series 68-B	8.70%	15-Jul-20	1,424.00
75	Series 167	7.30%	30-Jun-20	1,560.00
76	Series 165	7.42%	26-Jun-20	3,605.00
77	Series 66-A	8.65%	15-Jun-20	500.00
78	Series 166	7.46%	5-Jun-20	1,180.00
79	Series 149	8.04%	30-May-20	100.00
80	Series 159	7.05%	15-May-20	2,551.00
81	Series 65	8.70%	14-May-20	1,337.50
82	Series 131-B	8.38%	27-Apr-20	1,350.00
83	Series 130-B	8.42%	18-Apr-20	200.00
84	Series 157	6.83%	15-Apr-20	2,000.00
85	Series 85-C	9.30%	15-Apr-20	79.50
86	Series 64-II	8.95%	30-Mar-20	492.00
87	Series 87-D	9.42%	20-Mar-20	650.80
88	Series 63-II	8.90%	15-Mar-20	184.00
89	Series 100-A	8.86%	4-Mar-20	54.30
90	Series 127	8.36%	26-Feb-20	4,440.00
91	Series 99-B	8.82%	20-Feb-20	733.00
92	Series 176A	7.53%	20-Jan-20	1,500.00
93	Series 62-A	8.70%	15-Jan-20	845.40
94	Series 61	8.50%	15-Dec-19	351.00

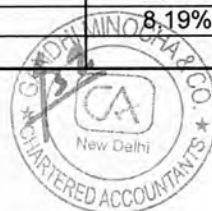
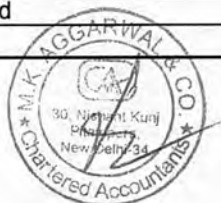


95	Series 124-A	8.52%	9-Dec-19	1,220.00
96	Series 123-B	8.65%	28-Nov-19	836.00
97	Series 60-B	1YINCM+ 179 bps (floating rate)	20-Nov-19	925.00
98	Series 122	8.76%	7-Nov-19	1,000.00
99	Series 121-B	8.96%	21-Oct-19	1,100.00
100	Series 59-B	8.80%	15-Oct-19	1,216.60
101	Series 119-B	9.32%	17-Sep-19	1,591.00
102	Series 118-B-I	9.39%	27-Aug-19	460.00
103	Series 57-B	8.60%	7-Aug-19	866.50
104	Series 115-II	9.15%	7-Jul-19	100.00
105	Series 135-B	8.50%	29-Jun-19	1,500.00
106	Series 174	7.80%	7-Jun-19	3,300.00
107	Series 148	7.95%	13-May-19	1,915.00
108	Series 145	7.85%	15-Apr-19	2,928.00
109	Series 143	8.12%	28-Feb-19	700.00
110	Series 98-III	8.72%	8-Feb-19	324.00
111	Series 82-C	9.70%	15-Dec-18	2,060.00
112	Series 52-C	11.25%	28-Nov-18	1,950.60
113	Series 142-B	8.00%	22-Oct-18	1,000.00
114	Series 51-C	11.00%	15-Sep-18	3,024.40
115	Series 140-A	8.28%	4-Sep-18	1,930.00
116	Series 139-C	8.17%	18-Aug-18	800.00
117	Series 49-B	10.85%	11-Aug-18	428.60
118	Series 161	6.90%	16-Jul-18	1,850.00
119	Series 162	6.90%	16-Jul-18	1,060.00
120	Series 48-C	10.55%	15-Jul-18	259.70
121	Series 135-A	8.40%	29-Jun-18	1,210.00
122	Series 130-A	8.40%	19-Jun-18	1,175.00
123	Series 129-A	8.29%	13-Jun-18	980.00
124	Series 129B	8.29%	13-Jun-18	100.00
125	Series 47-C	9.68%	9-Jun-18	780.70
126	Series 134-B	8.39%	28-May-18	1,500.00
127	Series 132-B	8.09%	16-May-18	200.00
128	Series 131-A	8.34%	27-Apr-18	100.00
129	Series 132-A	8.03%	9-Apr-18	272.00
			Total*	1,69,108.50

*As at 31.03.2018, Bonds of ₹ 5.40 crore (previous year ₹ 5.60 crore) are held by PFC Ltd. Employees Provident Fund Trust and Bonds of ₹ 0.60 crore (previous year ₹ 0.60 crore) are held by PFC Ltd. Employees Gratuity Trust.

VII. Details of Unsecured Subordinated Bonds as on 31.03.2018 are as follows :

	Bond Series	Coupon Rate	Date of Redemption	Amount (₹ in crore)
1	Subordinated Tier II Debt Bond	9.70%	21-Feb-24	2,000.00
2	Subordinated Tier II Debt Bond	9.65%	13-Jan-24	1,000.00
3	Subordinated Tier II Debt Bond	8.19%	14-Jun-23	800.00
			Total	3,800.00



VIII. Details of Foreign currency notes outstanding as at 31.03.2018 are as follows:				
S.No.	Loan	Rate of Interest p.a. as on 31.03.2018	Date of Repayment	Amount (₹ in crore)
1	3.75% USD Green Bonds 2027	3.75%	6-Dec-27	2,607.00
			Total	2,607.00

IX. Details of Foreign Currency Loans from Foreign banks / Financial Institutions (Guaranteed by the Govt. of India) outstanding as at 31.03.2018 are as follows:

S. No.	Particulars	Amount (₹ in crore)
1	KFW I Loan - carrying fixed interest @ 0.75% p.a., repayable in semi-annual instalments due on 30 th June & 31 st December every year. Last instalment will be due on 30-Jun-2035	53.04
2	ADB (New Loan) - carrying floating interest @ 6m USD LIBOR + 0.60% p.a. repayable in semi-annual instalments due on 15 th April & 15 th October every year. Last instalment will be due on 15-Oct-2028	87.36
3	Credit National France- carrying fixed interest @ 2% p.a. repayable in semi-annual instalments due on 30 th June & 31 st December every year . Last instalment will be due on 30-Jun-2028	61.08
	Total	201.48

Note: In case of ADB (new loan) a variable rebate is offered by ADB at the time of reset.

X. Details of Syndicated Foreign Currency Loans from banks / Financial Institutions outstanding as at 31.03.2018 are as follows:

S.No.	Loan	Rate of Interest p.a. as on 31.03.2018	Date of Repayment	Amount (₹ in crore)
1	SLN XXIII	6m USD LIBOR + 0.65%	22-Mar-23	1,629.38
2	SLN XXII	6m USD LIBOR + 0.70%	28-Feb-23	1,629.37
3	SLN XXI	6m USD LIBOR + 0.70%	12-Dec-22	1,955.25
4	SLN XVIII	6m JPY LIBOR + 0.75%	4-Nov-22	895.27
5	SLN XVIII	6m JPY LIBOR + 0.75%	8-Nov-21	895.27
6	SLN XXIV-(III)	6m USD LIBOR + 0.75%	24-Sep-21	977.62
7	SLN XXIV-(II)	6m USD LIBOR + 0.75%	26-Mar-21	977.62
8	SLN XVIII	6m JPY LIBOR + 0.75%	06-Nov-20	895.27
9	SLN XXIV-(I)	6m USD LIBOR + 0.75%	28-Sep-20	977.62
10	SLN XVI	6m USD LIBOR + 1.55%	04-Dec-19	1,629.38
	Total			12,462.05

XI. Details of FCNR (B) loans from banks outstanding as at 31.03.2018 are as follows:

S.No.	Loan	Rate of Interest p.a. as on 31.03.2018	Date of Repayment	Amount (₹ in crore)
1	ICICI Bank FCNR(B)	3m USD LIBOR + 1.95%	26-Apr-19	651.75
2	SBI FCNR(B)	3m USD LIBOR + 1.70%	28-Mar-19	1,629.38
3	Bank of Baroda FCNR(B) - II	3m USD LIBOR + 1.70%	22-Feb-19	201.32
4	Bank of Baroda FCNR(B) - I	3m USD LIBOR + 1.70%	15-Feb-19	507.10
	Total			2,989.55



XII. Details of Rupee Term Loans (from Banks) outstanding as at 31.03.2018 are as follows:

S.No.	Name of Bank	Rate of Interest p.a. as on 31.03.2018	Date of Repayment	Amount (₹ in crore)
1	Vijaya Bank	7.90%	13-Mar-23	1,000.00
2	HDFC Bank	7.95%	30-Sep-20	750.00
3	Andhra Bank	7.90%	30-Sep-19	277.07
4	Andhra Bank	7.90%	29-Sep-19	1,722.93
5	Vijaya Bank	7.90%	05-Sep-19	1,000.00
6	Allahabad Bank	7.85%	28-May-19	2,000.00
7	State Bank of India	7.85%	30-Apr-19	2,000.00
8	State Bank of India	7.85%	19-Apr-19	1,000.00
	Total			9,750.00

XIII. Details of of Rupee Term Loans (from Financial Institutions) outstanding as at 31.03.2018 are as follows:

S.No.	Name of Financial Institution	Rate of Interest p.a. as on 31.03.2018	Date of Repayment	Amount (₹ in crore)
1	India Infrastructure Finance Company Limited	7.85%	30-Sep-19	775.00

XIV. Details of of Commercial Paper outstanding as at 31.03.2018 are as follows:

S.No.	Loan	Rate of Interest p.a. as on 31.03.2018	Date of Repayment	Amount (₹ in crore)
1	CP series 90	6.65%	10-Aug-18	1,925.00
2	CP series 94	7.00%	25-Jun-18	2,000.00
3	CP series 93B	7.40%	15-Jun-18	1,100.00
4	CP series 85	6.80%	15-May-18	1,105.00
5	CP series 93A	7.30%	27-Apr-18	900.00
	Less- Unamortised Financial Charges*			(105.26)
	Total			6,924.74

* Unamortised Financial Charges on Commercial Paper as on 31.03.2018 amounts to ₹ 105.26 crore (Previous year Nil)



NOTE - Part A - 4						
OTHER LONG TERM & SHORT TERM LIABILITIES						
(₹ in Crore)						
Description	As at 31.03.2018			As at 31.03.2017		
	Short Term	Long Term	Total	Short Term	Long Term	Total
i Interest Subsidy Fund from GOI (Refer Note No. 10(A) of Part-C - Other Notes on Accounts)	1.95	114.05	116.00	3.59	106.10	109.69
ii Interest Differential Fund - KFW ⁵	0.00	0.00	0.00	0.00	63.88	63.88
iii Advance received / amount payable to Subsidiaries (including interest payable thereon) (Refer Note No. 8(A)(ii) of Part-C - Other Notes on Accounts)	196.63	268.88	465.51	193.38	249.04	442.42
iv Other Bonds (Amount payable-Bonds fully serviced by GoI)*						
a) Principal	0.00	5,000.00	5,000.00	0.00	5,000.00	5,000.00
b) Interest accrued but not due	38.21	0.00	38.21	38.21	0.00	38.21
Sub Total (I)	236.79	5,382.93	5,619.72	235.18	5,419.02	5,654.20
v Interest Accrued but not due :						
On Bonds	7,320.79	141.87	7,462.66	7,226.02	288.23	7,514.25
On Loans	66.35	0.00	66.35	27.14	0.00	27.14
Sub Total (II)	7,387.14	141.87	7,529.01	7,253.16	288.23	7,541.39
vi Unpaid / Unclaimed						
Bonds	3.93	0.00	3.93	0.52	0.00	0.52
Interest on Bonds	14.10	0.00	14.10	14.17	0.00	14.17
Dividend	2.63	0.00	2.63	1.43	0.00	1.43
Sub Total (III)	20.66	0.00	20.66	16.12	0.00	16.12
vii Others	234.59	393.02	627.61	915.71	435.33	1,351.04
Sub Total (IV)	234.59	393.02	627.61	915.71	435.33	1,351.04
Grand Total (I+II+III+IV)	7,879.18	5,917.82	13,797.00	8,420.17	6,142.58	14,562.75
Notes :-						
⁵ Interest Differential Fund - KFW has been reversed in the current year in line with clarification received from KFW-Germany						
*Details of Other Unsecured Taxable Bonds as on 31.03.2018 are as follows :						
	Bond Series	Date of allotment	Coupon Rate	Date of Redemption	Amount (₹ in crore)	
	1. PFC Bond Series 164-GoI Fully Serviced Bond	22-Mar-17	7.75%	22-Mar-27	2,000.00	
	2. PFC Bond Series 160-GoI Fully Serviced Bond	20-Feb-17	7.60%	20-Feb-27	1,465.00	
	3. PFC Bond Series 158-GoI Fully Serviced Bond	20-Jan-17	7.18%	20-Jan-27	1,335.00	
	4. PFC Bond Series 156-GoI Fully Serviced Bond	11-Jan-17	7.10%	11-Jan-27	200.00	
	Total				5,000.00	



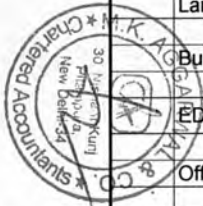
NOTE - Part A - 5						
PROVISIONS - LONG TERM AND SHORT TERM						
(₹ in Crore)						
Description	As at 31.03.2018			As at 31.03.2017		
	Short Term	Long Term	Total	Short Term	Long Term	Total
I. Employee Benefits						
Economic Rehabilitation of Employees	0.18	1.49	1.67	0.17	1.46	1.63
Leave Encashment	1.34	19.88	21.22	1.78	28.90	30.68
Staff Welfare Expenses	6.35	4.91	11.26	3.98	4.92	8.90
Gratuity / Superannuation Fund	1.57	0.00	1.57	1.28	0.00	1.28
Proposed Pay Revision	48.94	0.00	48.94	9.94	0.00	9.94
Bonus / Incentive	11.18	0.00	11.18	5.58	0.00	5.58
Sub Total (I)	69.56	26.28	95.84	22.73	35.28	58.01
II. Others						
Income Tax (net)	0.00	0.00	0.00	0.00	12.05	12.05
Provision for Tax for demands under contest (Refer Note No. 3 of Part C - Other Notes on Accounts)	0.00	129.97	129.97	0.00	118.39	118.39
CSR Expenses (Refer Note No. 18 of Part-C - Other Notes on Accounts)	0.00	0.00	0.00	100.20	0.00	100.20
Provision against Standard Assets (Refer Note No. 12(A)(i) of Part-C - Other Notes on Accounts)	411.29	926.98	1,338.27	99.96	457.88	557.84
Provisions against Restructured Standard Assets (Refer Note No. 12(A)(ii) of Part-C - Other Notes on Accounts)	241.58	1,162.59	1,404.17	317.00	2,039.23	2,356.23
Interim Dividend (Refer Note No. 28(A) of Part-C - Other Notes on Accounts)	0.00	0.00	0.00	1,320.04	0.00	1,320.04
Corporate Dividend Tax on Interim Dividend	0.00	0.00	0.00	67.18	0.00	67.18
Sub Total (II)	652.87	2,219.54	2,872.41	1,904.38	2,627.55	4,531.93
Grand Total (I+II)	722.43	2,245.82	2,968.25	1,927.11	2,662.83	4,589.94



NOTE - Part A - 6												
FIXED ASSETS												
(₹ in Crore)												
Description	GROSS BLOCK				DEPRECIATION						NET BLOCK	
	Opening Balance as at 01.04.2017	Additions / Adjustments	Deductions / Adjustments	Closing Balance as at 31.03.2018	Opening Balance as at 01.04.2017	For the period 01.04.2017 to 31.03.2018	Adjustment	Prior period Adjustments	On Assets Sold/Written off from books	Closing Balance as at 31.03.2018	As at 31.03.2018	As at 31.03.2017
I. Tangible Assets* :												
Owned Assets												
Land (Freehold)	3.38	0.00	0.00	3.38	0.00	0.00	0.00	0.00	0.00	0.00	3.38	3.38
Land (Leasehold)**	37.87	0.00	0.00	37.87	0.00	0.00	0.00	0.00	0.00	0.00	37.87	37.87
Buildings	24.92	0.00	0.00	24.92	10.43	0.71	0.00	0.00	0.00	11.14	13.78	14.49
EDP Equipment	15.16	3.92	2.01	17.07	13.01	2.71	0.06	0.00	1.86	13.92	3.15	2.15
Office and other equipment	17.21	3.25	4.14	16.32	14.08	2.34	0.06	0.00	3.82	12.66	3.66	3.13
Furniture & Fixtures	7.77	1.64	0.14	9.27	6.97	0.32	0.01	0.00	0.09	7.21	2.06	0.80
Vehicles	0.20	0.00	0.00	0.20	0.14	0.02	0.00	0.00	0.00	0.16	0.04	0.06
Total	106.51	8.81	6.29	109.03	44.63	6.10	0.13	0.00	5.77	45.09	63.94	61.88
Previous year	105.13	4.51	3.13	106.51	42.57	4.72	0.00	0.22	2.88	44.63	61.88	
II. Intangible Assets* :												
Purchased Software	8.95	0.51	0.00	9.46	8.26	0.31	0.00	0.00	0.00	8.57	0.89	0.69
Previous year	8.77	0.18	0.00	8.95	7.42	0.84	0.00	0.00	0.00	8.26	0.69	
III. Intangible assets under development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Previous year	0.16	0.02	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

*Refer Note No. 21 of Part-C - Other Notes on Accounts

**Refer Note No. 23 of Part-C - Other Notes on Accounts



NOTE - Part A - 7					
NON- CURRENT INVESTMENTS					
(₹ in Crore)					
Description	As at 31.03.2018		As at 31.03.2017		
	Number	Amount	Number	Amount	
Long Term Investments					
(A)	Trade Investments (Face value of ₹ 10 /- each fully paid up - unless otherwise stated)				
I. Equity Instruments (Quoted)					
- Valued at Cost					
	PTC India Ltd.	1,20,00,000	12.00	1,20,00,000	12.00
II. Equity Instruments (Unquoted)*					
- Valued at Cost (Less diminution, if any, other than temporary)					
	Power Exchange India Ltd.	32,20,000	3.22	32,20,000	3.22
	Less : Provision for diminution		3.22	0.00	3.22
	Energy Efficiency Services Ltd (Refer Note No. 7 (A) of Part-C - Other Notes on Accounts)	14,65,00,000	146.50	14,65,00,000	146.50
	Subsidiaries (Refer Note No. 7 (A) of Part-C - Other Notes on Accounts)	10,09,50,000	100.95	10,09,50,000	100.95
III. Preference Shares (Unquoted)*					
- Valued at Cost					
	10% Fully Convertible Preference shares of Subsidiary (Refer Note No. 7 (A) of Part-C - Other Notes on Accounts)	20,00,00,000	200.00	20,00,00,000	200.00
IV. Others (Unquoted)*					
	Units of "Small is Beautiful" Fund of KSK Investment Advisor Pvt. Ltd.**	61,52,200	6.15	61,52,200	6.15
	Sub Total (I)		465.60		465.60
(B)	Other Investment -Bonds (Quoted) (Face value of ₹ 10,00,000/- each fully paid up - unless otherwise stated)				
	8000 Bonds of Andhra Bank (Previous year :10,000 Bonds of Dena Bank and 8000 Bonds of Andhra Bank)	8,000	800.00	18,000	1,800.00
	Sub Total (II)		800.00		1,800.00
	Grand Total (I+II)		1,265.60		2,265.60
Notes :-					
	Particulars		As at 31.03.2018		As at 31.03.2017
Aggregate of Quoted Investments					
	Net Book Value		812.00		1,812.00
	Market Value***		904.88		1,912.08
Aggregate of Un-Quoted Investments					
	Net Book Value		453.60		453.60
Aggregate Provision for Diminution in value					
			3.22		3.22
*Being Unquoted Investments, market value is not available.					
**NAV as on 31-Mar-2018 is ₹ 10.17 per unit (31-Mar-2017 ₹ 10.24 per unit). The fluctuation in NAV is considered as temporary.					
***8000 Bonds of Andhra Bank are listed on NSE platform, however, market price as at 31.03.2018 is not available on NSE platform and the bonds have not been traded in the market till 31.03.2018. Accordingly, the face value of the above bonds has been considered as market price.					



B. Bonds												
I Un-secured Bonds / Debentures												
	Bonds / Debentures from State Power Corporations		0.00		311.60		311.60		0.00		311.60	311.60
	Bonds / Debentures from Independent Power Producers-NPA***	29.44		0.00		29.44		0.00		29.44		29.44
	Less : Provision for contingencies	2.94	26.50	0.00	0.00	2.94	26.50	0.00	0.00	0.00	29.44	0.00
	Total B		26.50		311.60		338.10		0.00		341.04	341.04
C. Short Term Loans												
I Secured Loans												
a) Considered Good												
	Working Capital Loans to State Electricity Boards and State Power Corporations		6,123.12		0.00		6,123.12		1,467.91		0.00	1,467.91
	Working Capital Loans to Independent Power Producers		212.46		0.00		212.46		22.58		0.00	22.58
b) Others												
	Working Capital Loans to Independent Power Producers -NPA	17.86		0.00		17.86		0.00		0.00		0.00
	Less : Provision for contingencies	1.79	16.07	0.00	0.00	1.79	16.07	0.00	0.00	0.00	0.00	0.00
	Sub Total (I)		6,351.65		0.00		6,351.65		1,490.49		0.00	1,490.49
II Un-Secured Loans												
a) Considered Good												
	Working Capital Loans to State Electricity Boards, State Power Corporations and to Government Companies #	4,543.96		0.00		4,543.96		3,806.69		0.00		3,806.69
	Working Capital Loans to Independent Power Producers	38.67	4,582.63	0.00	0.00	38.67	4,582.63	516.73	4,323.42	0.00	0.00	516.73
b) Others												
	Working Capital Loans to Independent Power Producers - NPA	364.89		0.00		364.89		0.00		0.00		0.00
	Less : Provision for contingencies	36.49	328.40	0.00	0.00	36.49	328.40	0.00	0.00	0.00	0.00	0.00
	Other Loans - NPA [§]	345.47		0.00		345.47		290.58		0.00		290.58
	Less : Provision for contingencies	172.73	172.74	0.00	0.00	172.73	172.74	145.29	145.29	0.00	0.00	145.29
	Sub Total (II)		5,083.77		0.00		5,083.77		4,468.71		0.00	4,468.71
	Total C (I + II)		11,435.42		0.00		11,435.42		5,959.20		0.00	5,959.20
	Grand Total (A+B+C)		37,991.63		2,34,820.53		2,72,812.16		39,836.01		2,00,333.01	2,40,169.02

*Refer Note No. 12(A) of Part-C - Other Notes on Accounts

**Refer Note No. 9(A) of Part-C - Other Notes on Accounts

§ Loans guaranteed by respective State Governments amounts to ₹ 24,335.12 crore (Previous Year ₹ 23,353.40 crore).

¶ Counter guaranteed by State Government

***Bonds under issue (Categorised as NPA during the current year)



NOTE - Part A - 9																		
OTHER ASSETS																		
(₹ in Crore)																		
Description	As at 31.03.2018						As at 31.03.2017											
	Current		Non-Current		Total		Current		Non-Current		Total							
A LOANS & ADVANCES																		
I Loans (considered good)*																		
a) to Employees (Secured)	2.09		9.79		11.88		2.25		11.94		14.19							
b) to Employees (Unsecured)	10.19	12.28	45.53	55.32	55.72	67.60	9.76	12.01	48.22	60.16	57.98							
II Advances (Unsecured considered good)																		
Advances recoverable in cash or in kind or for value to be received																		
a) to Subsidiaries (including interest recoverable there on) (Refer Note No. 8(A)(i) of Part-C - Other Notes on Accounts)	324.73		147.17		471.90		262.04		133.72		395.76							
b) to Employees*	1.06		0.01		1.07		0.82		0.01		0.83							
c) Prepaid Expenses	2.04		0.00		2.04		1.95		0.00		1.95							
d) Others	294.03		156.77		450.80		1,226.78		6.31		1,233.09							
e) Advance Income Tax and Tax Deducted at Source (net)	0.00		368.94		368.94		0.00		162.08		162.08							
f) Tax deposited on demands under contest	73.11		138.13		211.24		33.16		183.79		216.95							
g) Security Deposits	0.55	695.52	0.30	811.32	0.85	1,506.84	0.42	1,525.17	0.38	486.29	0.80							
B Amount Recoverable on account of Bonds fully serviced by GoI (Unsecured considered good)																		
a) Principal	0.00		5,000.00		5,000.00		0.00		5,000.00		5,000.00							
b) Interest	38.21	38.21	0.00	5,000.00	38.21	5,038.21	38.21	38.21	0.00	5,000.00	38.21							
C OTHER ASSETS																		
I Accrued but not due :																		
a) Interest on Loan Assets	3,967.99		0.00		3,967.99		3,723.25		0.00		3,723.25							
b) Interest on Loans to Employee	0.76		25.07		25.83		0.60		22.04		22.64							
c) Interest on Deposits and Investments	9.93	3,978.68	0.00	25.07	9.93	4,003.75	30.33	3,754.18	0.00	22.04	30.33							
II Accrued and due :																		
Incomes accrued & due on loans	82.22	82.22	0.00	0.00	82.22	82.22	167.52	167.52	0.00	0.00	167.52							
D Loans & Advances (Unsecured - Others) (Refer Note No. 12(B)(i) of Part-C - Other Notes on Accounts)																		
Non Performing Assets (NPAs)	2.51		0.00		2.51		16.40		0.00		16.40							
Less : Provision for contingencies	2.51	0.00	0.00	0.00	2.51	0.00	16.40	0.00	0.00	0.00	16.40							
Total		4,806.91		5,891.71		10,698.62		5,497.09		5,568.49	11,065.58							
*Includes:																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Description</th> <th style="width: 35%;">Balance as at 31.03.2018</th> <th style="width: 35%;">Balance as at 31.03.2017</th> </tr> </thead> <tbody> <tr> <td>Loans & Advances given to KMPs (Refer Note No. 6 of Part-C - Other Notes on Accounts)</td> <td></td> <td>0.52</td> <td>0.50</td> </tr> </tbody> </table>												Description	Balance as at 31.03.2018	Balance as at 31.03.2017	Loans & Advances given to KMPs (Refer Note No. 6 of Part-C - Other Notes on Accounts)		0.52	0.50
Description	Balance as at 31.03.2018	Balance as at 31.03.2017																
Loans & Advances given to KMPs (Refer Note No. 6 of Part-C - Other Notes on Accounts)		0.52	0.50															



NOTE - Part A -10					
CURRENT INVESTMENTS					
(₹ in Crore)					
Description	As at 31.03.2018		As at 31.03.2017		
	Number	Amount	Number	Amount	
I. Equity Instruments (Quoted) (Face value of ₹ 10/- each fully paid up)					
- Valued for category at lower of cost or market value					
PGCIL (Cost Price ₹ 52 per Share)	3,89,349	2.02	4,39,349	2.28	
REC Ltd. (Cost Price ₹ 52.50 per Share)	95,904	0.50	95,904	0.50	
Coal India Ltd. (Cost Price ₹ 358.58 per Share)	1,39,64,530	500.74	1,39,64,530	500.74	
NHPC Limited (Cost Price ₹ 21.78 per Share)	26,05,42,051	567.50	26,05,42,051	567.50	
Less : Provision for diminution on Equity Instruments (Quoted)		0.00	1,070.76	0.00	1,071.02
ii. Equity Instruments (Borrower Companies) (Un-quoted) (Face value of ₹ 10/- each fully paid up)					
- Valued in accordance with Para - 5.2 of Note Part - B - Significant Accounting Policies					
Shree Maheshwar Hydel Power Corporation Ltd. (NPA Borrower)	13,18,46,779	66.10	13,18,46,779	66.10	
Less : Provision for diminution on Equity Instruments (Un-quoted)		66.10	0.00	66.10	0.00
GMR Chhattisgarh Energy Ltd.*	27,50,00,000	275.00	27,50,00,000	275.00	
Less : Provision for diminution on Equity Instruments (Un-quoted)		275.00	0.00	20.49	254.51
Total		1,070.76		1,325.53	
Notes :-					
Description	As at 31.03.2018		As at 31.03.2017		
Aggregate of Quoted Investments					
Net Book Value		1,070.76		1,071.02	
Market Value		1,126.04		1,258.02	
Aggregate of Unquoted Investments					
Net Book Value		0.00		254.51	
Aggregate Provision for Diminution in value		341.10		86.59	

*Borrower has been categorised as NPA during the current year.



NOTE - Part A -11			
CASH AND BANK BALANCES			
(₹ in Crore)			
Description	As at 31.03.2018		As at 31.03.2017
I Cash and Cash Equivalents:			
i) Balances in current accounts with:			
Reserve Bank of India	0.02		0.02
Scheduled Banks	4.74	4.76	42.84
			42.86
ii) Cheques in hand			
		0.00	0.00
iii) Imprest with postal authority			
		0.00	0.00
iv) Fixed Deposits with Scheduled Banks (original maturity up to 3 months)			
		532.95	3,071.88
Sub Total (I)		537.71	3,114.74
II Earmarked Balances:			
i) Balances in current accounts with scheduled banks for payment of interest on bonds, dividend, etc.			
		11.04	458.41
ii) IPDS / R-APDRP			
Balances in current account with scheduled banks		4.45	0.00
Sub Total (II)		15.49	458.41
Grand Total (I+II)		553.20	3,573.15



NOTE - Part A - 12				
REVENUE FROM OPERATIONS				
(₹ in Crore)				
Description	Year ended 31.03.2018		Year ended 31.03.2017	
I. Interest				
Interest on Loans	26,203.32		26,587.14	
Less : Rebate for Timely Payment to Borrowers	381.37		316.65	
Less : Post COD Timely Payment Rebate	7.81	25,814.14	22.39	26,248.10
Lease income		6.72		21.98
Sub Total (I)		25,820.86		26,270.08
II. Other Operating income				
Income from surplus funds		56.70		112.37
Interest received on advances given to subsidiaries		17.87		12.10
Interest on bonds		196.80		196.64
Sub Total (II)		271.37		321.11
III. Other Financial Services				
Prepayment Premium on Loans		179.10		201.77
Upfront fee on Loans		46.03		37.87
Management, Agency & Guarantee Fee		64.47		48.13
Commitment charges on Loans		2.25		5.17
Fee on account of Gov Schemes:				
Nodal Agency Fee - R-APDRP	0.65		2.24	
Nodal Agency Fee - IPDS	29.74	30.39	21.16	23.40
Sub Total (III)		322.24		316.34
Grand Total (I+II+III)		26,414.47		26,907.53



NOTE - Part A - 13		
OTHER INCOME		
(₹ in Crore)		
Description	Year ended 31.03.2018	Year ended 31.03.2017
Dividend Income*	146.23	99.11
Profit on sale of Fixed Assets	0.00	0.03
Profit on sale of Current Investments	0.78	0.50
Interest on Income Tax Refund	4.78	3.88
Miscellaneous Income	6.56	7.40
Excess Liabilities & Provisions written back	164.92	0.12
Total	323.27	111.04
*Includes dividend income from Mutual Funds ₹ 6.63 crore (previous year ₹ 5.34 crore).		



NOTE - Part A - 14
FINANCE COSTS

(₹ in Crore)

Description	Year ended 31.03.2018		Year ended 31.03.2017	
I. Interest				
On Bonds	16,040.21		15,592.33	
On Loans	318.64		322.15	
GOI on Interest Subsidy Fund	9.32		9.06	
Financial Charges on Commercial Paper	482.71		389.72	
Swap Premium (Net)	(34.95)	16,815.93	(23.42)	16,289.84
II. Other Charges				
Commitment & Agency Fee	0.39		0.65	
Guarantee, Listing & Trusteeship Fee	2.17		2.17	
Management Fee on Foreign Currency Loans	4.29		0.01	
Bank / Other Charges	0.00		0.00	
Interest paid on advances received from subsidiaries	5.93	12.78	6.35	9.18
III. Net Translation / Transaction Exchange Loss (+) / Gain (-)		243.69		311.82
IV. Net Change in Fair Value of Derivatives - Loss (+) / Gain (-)		132.45		(178.15)
Total		17,204.85		16,432.69



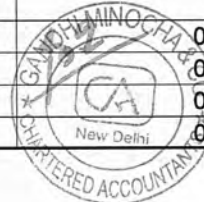
NOTE - Part A - 15		
BORROWING EXPENSES		
(₹ in Crore)		
Description	Year ended 31.03.2018	Year ended 31.03.2017
Interest on Application Money	0.03	0.00
Credit Rating Fee	4.96	4.65
Other Issue Expenses	15.47	14.04
Stamp Duty Fee	7.70	7.89
Total	28.16	26.58



NOTE - Part A - 16		
EMPLOYEE BENEFIT EXPENSES		
(₹ in Crore)		
Description	Year ended 31.03.2018	Year ended 31.03.2017
Salaries, Wages and Bonus	130.59	83.41
Contribution to Provident and other funds	16.90	13.94
Staff Welfare	13.84	12.01
Rent for Residential accommodation of employees (Refer Note No. 9(B) of Part-C - Other Notes on Accounts)	5.45	5.61
Total	166.78	114.97



NOTE - Part A - 17		
OTHER EXPENSES		
(₹ in Crore)		
Description	Year ended 31.03.2018	Year ended 31.03.2017
Office Rent (Refer Note No. 9(B) of Part-C - Other Notes on Accounts)	0.50	0.50
Electricity & Water charges	1.68	1.50
Insurance	0.18	0.16
Repairs & Maintenance	4.50	3.30
Stationery & Printing	2.11	1.88
Travelling & Conveyance	16.27	10.04
Postage, Telegraph & Telephone	2.49	2.25
Professional & Consultancy charges	1.92	2.02
Miscellaneous Expenses #	31.37	39.97
Loss on sale of Fixed Assets	0.42	0.19
Loss on Disposal of Investment	0.00	0.98
Auditors' Remuneration#	0.84	0.60
Service Tax	1.44	2.58
Rates & Taxes	1.55	1.41
Goods & Services Tax	5.45	0.00
Contribution to PMC (MoP)	0.28	0.41
Total	71.00	67.79
# Note :-		
1) Miscellaneous Expenses include :		
Legal & Filing Fee	2.94	17.42
Books & Periodicals	0.05	0.07
Advertisement	4.64	5.28
Membership & Subscription	0.99	1.09
Entertainment	1.75	0.97
Conference & Meeting Expenses	3.01	2.63
Security Expenses	2.91	1.60
Training	1.63	1.55
Other EDP Expenses	3.75	3.01
Business Promotion / Related Expenses	0.52	0.62
Interest on income tax	0.00	0.69
2) Auditors' Remuneration includes :		
Audit fee	0.38	0.35
Tax Audit Fee	0.07	0.06
Other certification services	0.38	0.19
Reimbursement of Expenses	0.01	0.00



Note - Part A -18				
PRIOR PERIOD ITEMS (NET)				
(₹ in Crore)				
Description	Year ended 31.03.2018		Year ended 31.03.2017	
Prior Period Expenses :				
Interest & other Charges	0.00		0.24	
Personnel & Administration Expenses - Others	0.06		0.77	
Depreciation	0.00	0.06	0.22	1.23
Less: Prior Period Income :				
Interest Income	0.00		(0.20)	
Other Income	(0.01)	(0.01)	(0.04)	(0.24)
Total		0.07		1.47



Note - Part – B (SIGNIFICANT ACCOUNTING POLICIES)

1. (a) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, which comprise applicable statutory provisions, relevant provisions of the Companies Act, 2013, applicable regulatory norms/guidelines prescribed by the Reserve Bank of India (RBI), Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), and prevailing practices.

(b) USE OF ESTIMATES

The preparation of Financial Statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

SIGNIFICANT ACCOUNTING POLICIES

2. RECOGNITION OF INCOME/EXPENDITURE

- 2.1 Income and expenses (except as stated below) are accounted for on accrual basis.
- 2.1.1 As per applicable RBI directions, income on non-performing assets is recognized in the year of its receipt and any unrealized income recognized in respect of such assets is reversed.
- 2.1.2 Income under the head carbon credit is accounted for in the year in which it is received by the Company.
- 2.1.3 As per applicable RBI directions, income from dividend on shares of corporate bodies and units of mutual funds are taken into account on cash basis. Provided that the income from dividend on shares of corporate bodies is taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.
- 2.2 Rebate on account of timely payment by borrowers is accounted for, on receipt of entire amount due on time.
- 2.3 Discount / financial charges / interest on the commercial papers, zero coupon bonds (deep discount bonds) and discount on bonds under external commercial borrowings are amortized proportionately over the period of its tenure.
- 2.4 Arrangement fee in connection with long-term foreign currency borrowings are amortized to the Statement of Profit and Loss over the tenure of the loan.
- 2.5 Expenditure on issue of shares is charged to the securities premium account.
- 2.6 As per applicable RBI directions, income from bonds and debentures of corporate bodies is taken into account on accrual basis, provided that the interest rate on these instruments is pre-determined and interest is serviced regularly and is not in arrears.
- 2.7 Recoveries in borrower accounts are appropriated as per the loan agreements.
- 2.8 Prepaid expenses upto ₹ 5,000/- are charged to natural heads of account.



3. TANGIBLE ASSETS/DEPRECIATION

- 3.1 Tangible assets are shown at historical cost less accumulated depreciation, except for the assets retired from active use and held for disposal, which are stated at lower of the book value or net realizable value.
- 3.2 Additions to tangible assets are being capitalized on the basis of bills approved or estimated value of work done as per contracts in cases where final bills are yet to be received / approved.
- 3.3 Depreciation on tangible assets is provided on, original cost of the asset reduced by its residual value estimated from time to time, as per written down value method, over the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013 except for Cell Phone where useful life has been taken as 2 years as estimated by the Company.
- 3.4 Items of tangible assets acquired during the year costing up to ₹ 5,000/- are fully depreciated.

4. INTANGIBLE ASSETS / AMORTIZATION

- 4.1 Intangible assets such as software are shown at the cost of acquisition less accumulated amortization, and amortization is done under straight-line method over the life of the assets estimated by the Company as 5 years.

5. INVESTMENTS

- 5.1 As per applicable RBI directions, quoted current investments are valued category-wise, at lower of cost or market value.
- 5.2 Unquoted Equity shares held in a borrower company, on account of conversion of loan asset classified as non-performing asset, are considered as current investments and such Equity Shares are valued at Rupee One. Depreciation in value in these Equity shares is not set off against the appreciation in any other securities held under the 'current investment' category.
- 5.3 Long term investments are valued at cost. Provision is made for diminution, other than temporary in the value of such investments. However, diminution in value is reversed, when there is rise in the value or if the reason for the reduction no longer exists.

6. ASSET CLASSIFICATION AND PROVISIONS

6.1 BASIS OF ASSET CLASSIFICATION

Loans & other credit facilities and lease assets are classified into the following classes, namely:

- 6.1.1 Standard Assets: Standard asset means an asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business.
- 6.1.2 (i) An asset is considered as non-performing asset (NPA) and sub-categorized as Sub-standard, Doubtful and Loss Asset, as mentioned below:

As at	NPA (loan assets excluding lease assets)	NPA Sub-Categorization (all loan assets including lease assets)		
		Sub-Standard	Doubtful	Loss
31 st March 2017	Overdue for 4 months or more	NPA for a period not exceeding 14 months	NPA for a period exceeding 14 months	(a) Asset identified as loss asset by the Company or its internal or external auditor or by RBI during inspection of the Company, to the extent it is not
31 st March 2018 and	Overdue for 3 months or	NPA for a period not exceeding 12	NPA for a period exceeding 12	

thereafter	more	months	months	written off by the Company and (b) Asset adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.
------------	------	--------	--------	--

(ii) For the purpose of asset classification and NPA provisioning, facilities granted to Government Sector and Private Sector Entities are considered borrower-wise, other than Government Sector loans which are considered on project-wise basis provided cash flows from each project are separately identifiable and applied to the same project.

(iii) The classification of project loans as a sub-standard asset is also done as per the RBI norms for restructured advances. Further, in case of a Government Sector account, if the project has not commenced commercial operation within the date of commencement of commercial operation (DCCO) envisaged at the time of financial closure (or revised DCCO within the permissible thresholds as given in RBI Norms for restructured advances), the classification is done project-wise instead of borrower-wise (as exempted by RBI till 31.03.2022).

(iv) A lease asset, in respect of which installment / rental remains overdue for a period of six months or more, has been classified as non-performing asset. However, with effect from 31.03.2018, a lease asset is classified as NPA if it remains overdue for a period of 3 months or more.

6.2 PROVISIONING AGAINST STANDARD ASSETS, RESTRUCTURED STANDARD ASSETS AND NPAs

6.2.1 The provisioning is made in respect of loans and other credit facilities as under:

S. No.	Description	Rate of Provision
1.	Standard Asset	0.40%
2.	Restructured Standard Assets	5%
3.	Sub-standard Asset	10%
4.	Doubtful Asset	
	Secured portion of Doubtful assets	
	Upto one year	20%
	More than one year to upto three years	30%
	More than three years	50%
	Doubtful assets not covered by the realizable value of the security to which the Company has a valid recourse	100%
5.	Loss Asset if not written off	100%

6.2.2 Provision on hire purchase and lease assets is as per para 13(2) of the "Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016" as amended from time to time.

6.2.3 Provisioning on restructured / rescheduled / renegotiated loan assets is done as per RBI norms and specific RBI directions.



7. FOREIGN CURRENCY TRANSACTIONS

7.1 The following transactions are accounted for at the exchange rates prevailing on the date of the transaction as per Accounting Standard – 11:

- (i) Expenses and income in foreign currency; and
- (ii) Amounts borrowed and lent in foreign currency.

7.2 The following balances are translated in Indian Currency at the exchange rates prevailing on the date of closing of accounts as per Accounting Standard – 11:

- (i) Foreign currency loan liabilities.
- (ii) Funds kept in foreign currency account with banks abroad.
- (iii) Contingent liabilities in respect of guarantees given in foreign currency.
- (iv) Income earned abroad but not remitted / received in India.
- (v) Loans granted in foreign currency.
- (vi) Expenses and income accrued but not due on foreign currency loans/borrowing.

7.3 In accordance with the paragraph 46A of the Accounting Standard (AS) 11, the exchange differences on the long term foreign currency monetary items are amortized over their balance period.

8. DERIVATIVE TRANSACTIONS

8.1 Derivative transactions include forwards, interest rate swaps, currency swaps, and currency and cross currency options to hedge on balance sheet assets or liabilities.

8.2 These derivative transactions are done for hedging purpose, and not for trading or speculative purpose.

8.3 Where the Company has entered into a forward contract or an instrument that is, in substance a forward contract, the difference between the forward rate and the exchange rate on the date of transaction is recognized as income or expense over the life of the contract, as per Accounting Standard – 11.

8.4 Derivative contracts not covered by Accounting Standard 11 and covered under Guidance Note on Accounting for Derivative Contracts issued by ICAI are measured at fair value with changes in fair value being recognized in the statement of profit and loss.

9. ACCOUNTING OF GOVERNMENT OF INDIA (GOI) SCHEMES

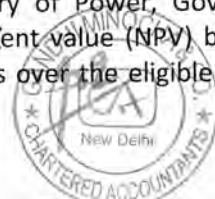
9.1 The Company acts as a channelizing / nodal agency for pass-through of loans / grants / subsidies to beneficiaries under various schemes of the Govt. of India. The Company receives the amount on such account and disburses it to the eligible entities in accordance with the relevant schemes.

9.1.1 Where funds are received in advance from Govt. of India, the same are shown as current liabilities till the payments are released to the beneficiary.

9.1.2 The income on account of fee etc. arising from implementation of such GoI schemes is accounted for in accordance with the respective scheme / GoI directives as applicable.

10. INTEREST SUBSIDY FUND

10.1 Interest subsidy for eligible borrowers received from the Ministry of Power, Govt. of India under Accelerated Generation & Supply Programme (AG&SP) on net present value (NPV) basis is credited to Interest Subsidy Fund on receipt and is passed on to the borrowers over the eligible period of loan on



respective dates of interest demands. Any excess / shortfall in the Interest Subsidy Fund is refunded or adjusted/charged off on completion of respective scheme.

- 10.2** Interest Subsidy Fund is credited at the year-end with interest on the outstanding balance in the subsidy fund by debiting statement of Profit & Loss, at rates specified in the Scheme.

11. INCOME/RECEIPT/EXPENDITURE ON SUBSIDIARIES

- 11.1** Expenditure incurred on the subsidiaries is debited to the account "Amount recoverable from concerned subsidiary".
- 11.2** Expenses in respect of man days (employees) are allocated to subsidiaries and administrative overheads are apportioned to subsidiaries on estimated basis. Direct expenses are booked to respective subsidiaries.
- 11.3** Interest on amount recoverable from subsidiaries (promoted as SPVs for Ultra Mega Power Projects) is accounted for at the rate of interest applicable for project loan / scheme (generation) to state sector borrower (category A) as per the policy of the Company.
- 11.4** Amounts received by subsidiaries as commitment advance from power procurers are parked with the Company as inter-corporate loans and interest is provided on unused portion of these loans at the mutually agreed interest rates.
- 11.5** The Company incurs expenditure for development work in the UMPPs. The expenditure incurred is shown as amount recoverable from the respective subsidiaries set up for development of UMPPs. Provisioning / write off is considered to the extent not recoverable, when an UMPP is abandoned by the Ministry of Power, Government of India.

12. EMPLOYEE BENEFITS

12.1 PROVIDENT FUND, GRATUITY, PENSION FUND AND POST RETIREMENT BENEFITS

Company's contribution paid / payable during the financial year towards provident fund and pension fund are charged in the statement of Profit and Loss. The Company's obligation towards gratuity to employees and post-retirement benefits such as medical benefits, economic rehabilitation benefit, and settlement allowance after retirement are actuarially determined and provided for as per Accounting Standard – 15.

12.2 OTHER EMPLOYEE BENEFITS

The Company's obligation towards sick leave, earned leave, service award scheme are actuarially determined and provided for, as per Accounting Standard – 15.

13. INCOME TAX

- 13.1** Income Tax comprising of current tax is determined in accordance with the applicable tax laws and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) in accordance with Accounting Standard – 22 on Accounting for Taxes on Income.

Deferred tax charge or credit and corresponding deferred tax liabilities or assets are recognized using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred Tax Assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

- 13.2** Since the Company has passed a Board resolution that it has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income Tax Act, 1961, the special reserve created and maintained is not capable of being reversed and thus it becomes a permanent



difference. The Company does not create any deferred tax liability on the said reserve in accordance with the clarification of the Accounting Standard Board of the Institute of Chartered Accountants of India.

14. CASH FLOW STATEMENT

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard – 3 on Cash Flow Statement.

15. CASH AND CASH EQUIVALENTS

Cash comprises cash on hand, demand deposits with banks, imprest with postal authorities and cheques / drafts / pay orders in hand. 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.



**Note Part – C
Other Notes on Accounts**

1. The Company is a Government Company engaged in extending financial assistance to power sector and is a Systemically Important (Non-Deposit Accepting or Holding) Non-Banking Finance Company (NBFC) registered with Reserve Bank of India as an Infrastructure Finance Company. Equity shares of the Company are listed on NSE and BSE.

2. Contingent Liabilities and Commitments:

2.1 Contingent Liabilities

(A) Guarantees etc.

(₹ in crore)

S. No	Description	As at 31.03.2018	As at 31.03.2017
(i)	Guarantees issued in domestic currency	153.75	190.11
(ii)	Claims against the Company not acknowledged as debts	-	-
(iii)	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned	1,694.60	1,640.56
	Total	1,848.35	1,830.67

(B) Income Tax Demands

Additional demands raised by the Income Tax Department totaling to ₹ 85.87 crore (Previous year ₹ 40.53 crore) of earlier years are being contested. Out of the said demands, an amount of ₹ 5.01 crore (Previous year ₹ 40.53 crore) has been paid. Further, the Income Tax Department has filed appeals against the relief allowed by appellate authorities to the Company aggregating to ₹ 165.39 crore (Previous year ₹ 165.39 crore). The same are also being contested. The Management does not consider it necessary to make provision, as the liability is not considered probable.

(C) Service Tax Demands

Service Tax demand or show cause notices raised by Service Tax Department totaling to ₹ 1.04 crore (Previous year ₹ 23.51 crore) of earlier years are being contested. Further, the Service Tax Department has also filed an appeal before CESTAT against the order of Commissioner (CE&ST) who had dropped a demand of service tax of ₹ 1.11 crore (Previous year ₹ 1.11 crore). The same is also being contested. Management does not consider it necessary to make provision, as the liabilities are not considered probable.

2.2 Other Commitments

Estimated amount of contracts remaining to be executed on account of capital account, not provided for is ₹473.77 crore as on 31.03.2018 (Previous year Nil).

3. Additional demands raised by the Income Tax Department (net of relief granted by Appellate Authorities) paid and provided for under contest by the Company, are detailed below:

(₹ in crore)

S. No.	Description	Year ended 31.03.2018	Year ended 31.03.2017
1.	Opening Balance	118.39 [§]	95.39
2.	Addition during the year	11.58	23.90
3.	Reversal during the year	-	(0.90)
4.	Closing Balance	129.97	118.39

* Pertaining to Assessment Year 2001-02 to 2015-16.

§ Pertaining to Assessment Year 2001-02 to 2014-15.



4. A. The Company is creating Debenture Redemption Reserve (DRR) for public issue of bonds or debentures @ 50% (as per MCA Circular No. 6/3/2001 – CL.V dated 18.04.2002) for public issues wherein prospectus had been filed before 11.02.2013 and @ 25% (as required by Companies (Share Capital and Debentures) Rules, 2014) for the subsequent public issues.
- B. The Company raises funds through various instruments including series of non-convertible bond issues. During the year, the Company has not defaulted in servicing of its borrowings.
- As regards non-convertible Rupee denominated bonds, the previous due date for payment of interest and principal was 31.03.2018.

5. A. Foreign currency expenditure and earning:

(₹ in crore)			
S. No.	Description	For the Year ended 31.03.2018	For the Year ended 31.03.2017
A.	Expenditure in foreign currency		
(i)	Interest on foreign currency loans *	258.43	270.32
(ii)	Financial & Other charges*	9.03	1.97
(iii)	Traveling Expenses	0.30	-
(iv)	Training Expenses	0.35	0.29
B.	Earning in foreign currency	-	-

*including withholding tax

- B. Foreign currency liabilities not hedged by a derivative instrument or otherwise:-

Description	As at 31.03.2018		As at 31.03.2017	
	Millions in respective currency	₹ in crore	Millions in respective currency	₹ in crore
USD	942	6,140.13	581	3,764.80
EURO	14	114.12	16	108.03
JPY*	43,668	2,685.80	43,668	2,532.85
Total		8,940.05		6,405.68

*Includes JPY loan liability partly hedged through forward rate contract entered for one leg (USD/INR) for USD 45 million / ₹ 293.29 crore (Previous year USD / INR leg for USD 45 million / ₹ 291.83 crore).

- C. The Company amortizes exchange differences on long term foreign currency monetary items over their tenure. Consequently, as at 31.03.2018 unamortized debit balance under Foreign Currency Monetary Item Translation Difference Account (FCMITDA) is ₹ 648.65 crore (Previous year debit balance ₹ 647.56 crore).

- D. Liabilities and assets denominated in foreign currency have been translated at FEDAI spot rate at year end as given below:

S. No.	Exchange Rates	As at 31.03.2018	As at 31.03.2017
(i)	USD / INR	65.1750	64.8500
(ii)	JPY / INR	0.615050	0.580025
(iii)	EURO / INR	80.8075	69.2925



6. Related Party Disclosures as per disclosure requirement of Accounting Standard-18:

(A) Key managerial personnel (KMP):

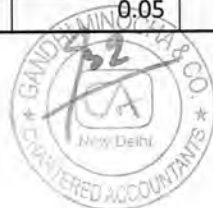
Description	Period
Shri Rajeev Sharma, CMD and CEO	with effect from 01.10.2016
Shri R Nagarajan, Director (Finance) and CFO	with effect from 31.07.2009 till 31.05.2017
Shri N. B. Gupta, Director (Finance) and CFO	with effect from 18.08.2017
Shri C. Gangopadhyay, Director (Projects)	with effect from 01.01.2017
Shri D. Ravi, Director (Commercial)	with effect from 16.11.2015
Shri Manohar Balwani, CS	with effect from 01.04.2014

(B) Transactions with Key Management Personnel (KMP):

Managerial remuneration of KMP for the year ended 31.03.2018 is ₹ 3.45 crore (Previous year ₹ 3.50 crore). Loans & Advances given to KMP is ₹ 0.52 crore as on 31.03.2018 (Previous year ₹ 0.50 crore).

7. (A) Investment in share capital of companies incorporated and operating in India as subsidiaries / joint venture companies including companies promoted as Special Purpose Vehicles (SPVs) for Ultra Mega Power Projects (UMPPs) are given below:

S. No.	Name of the companies	Date of investment	No. of equity shares subscribed (as at 31.03.2018)	% of ownership as at 31.03.2018	Amount as at 31.03.2018 (₹ in crore)	Amount as at 31.03.2017 (₹ in crore)
(a)	Subsidiary Companies ⁽ⁱ⁾					
(i)	PFC Consulting Limited (PFCL) ⁽ⁱⁱ⁾	09.04.2008	50,000	100%	0.05	0.05
(ii)(a)	PFC Green Energy Limited (PFCGEL) (Equity Shares) ⁽ⁱⁱⁱ⁾	29.07.2011	50,000	100%	100.00	100.00
		08.12.2011	44,50,000			
		29.03.2012	4,90,000			
		21.03.2013	2,10,00,000			
		18.06.2013	1,36,00,000			
(ii)(b)	PFCGEL (Preference Shares) ⁽ⁱⁱⁱ⁾	07.10.2013	6,04,10,000	100%	200.00	200.00
		21.03.2013	8,40,00,000			
		18.06.2013	5,44,00,000			
(iii)	PFC Capital Advisory Services Limited (PFCCAS) ⁽ⁱⁱⁱ⁾	07.10.2013	6,16,00,000	100%	0.10	0.10
		01.09.2011	1,00,000			
(iv)	Power Equity Capital Advisors (Private) Limited (PECAP) ^(iv)	15.04.2008	15,000	100%	0.05	0.05
		11.10.2011	35,000			
Sub-Total (A)					300.20	300.20
(b)	Subsidiary Companies promoted as SPVs for UMPPs ^(v)					
(i)	Coastal Maharashtra Mega Power Limited	05.09.2006	50,000	100%	0.05	0.05
(ii)	Orissa Integrated Power Limited	05.09.2006	50,000	100%	0.05	0.05
(iii)	Coastal Karnataka Power Limited	14.09.2006	50,000	100%	0.05	0.05
(iv)	Coastal Tamil Nadu Power Limited	31.01.2007	50,000	100%	0.05	0.05
(v)	Chhattisgarh Surguja Power Limited (CSPL) ^(vi)	31.03.2008	50,000	100%	0.05	0.05
(vi)	Sakhigopal Integrated Power Company Limited	27.01.2010	50,000	100%	0.05	0.05
(vii)	Ghogarpalli Integrated Power Company Limited	27.01.2010	50,000	100%	0.05	0.05
(viii)	Tatiya Andhra Mega Power Limited (TAMPL) ^(vii)	27.01.2010	50,000	100%	0.05	0.05
(ix)	Deoghar Mega Power Limited	30.07.2012	50,000	100%	0.05	0.05
(x)	Cheyur Infra Limited	24.03.2014	50,000	100%	0.05	0.05



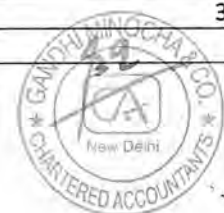
(xi)	Odisha Infrapower Limited	27.03.2014	50,000	100%	0.05	0.05
(xii)	Deoghar Infra Limited	25.08.2015	50,000	100%	0.05	0.05
(xiii)	Bihar Infrapower Limited	26.08.2015	50,000	100%	0.05	0.05
(xiv)	Bihar Mega Power Limited	27.08.2015	50,000	100%	0.05	0.05
(xv)	Jharkhand Infrapower Limited	05.02.2016	50,000	100%	0.05	0.05
	Sub-Total (B)				0.75	0.75
(c)	Joint venture Companies⁽ⁱ⁾					
	Energy Efficiency Services Limited (EESL)	21.01.2010 26.03.2013 21.08.2015 25.04.2016	6,25,000 2,18,75,000 2,50,00,000 9,90,00,000	31.71%	146.50	146.50
	Sub-Total (C)				146.50	146.50
	TOTAL^(viii) (A+ B+ C)				447.45	447.45

- (i) Financial statements are consolidated as per Accounting Standard 21 – Consolidated Financial Statements and Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures.
- (ii) Subsequent to decision by the Board of Directors of respective subsidiaries, merger of PFCCAS with PFCCCL is under progress.
- (iii) In continuation to decision taken in meeting dated 09th August, 2016, Board of Directors of the Company in its meeting held on 29th September, 2017, has approved scheme for the merger of PFCGEL with the Company subject to sanction by the Ministry of Corporate Affairs.
- (iv) Decision of voluntary winding up of PECAP is under consideration of MoP, GoI.
- (v) Subsidiary companies were incorporated as SPVs under mandate from the GoI for development of UMPPs with the intention to hand over the same to successful bidders on completion of the bidding process. Financial statements of these subsidiaries are not required to be consolidated in terms of paragraph 11 of Accounting Standard-21.
- (vi) MoP vide its OM dated 16th January, 2017 has informed for the winding up of CSPL. The related proceedings are under way.
- (vii) MoP vide its OM dated 21st June, 2016 has conveyed its approval for the winding up of TAMPL. The related proceedings are under way.
- (viii) Maximum amount of investment during the year is same as investment at the year-end for each of the entities.

(B) The Company's share of assets, liabilities, contingent liabilities and capital commitment as at 31.03.2018 and income and expenses for the period ending 31.03.2018 in respect of EESL (Company's joint venture entity), based on unaudited provisional financial statements are given below:

(₹ in crore)

S.No.	Description	As at 31.03.2018	As at 31.03.2017
	Ownership (%)	31.71	31.71
A	Assets		
	Non-Current assets	774.52	336.90
	Current assets	769.10	510.19
	Total	1543.62	847.09
B	Liabilities		
	Non-Current Liabilities	570.30	263.59
	Current Liabilities	770.15	399.32
	Total	1340.45	662.91
C	Contingent liabilities	68.65	11.74
D	Capital commitments	83.64	103.95
E	Income & Expenses	For the Year ended	
		31.03.2018	31.03.2017
	Total Income	461.78	410.10
	Total Expenses	438.66	386.08



8. A. Loans and Advances in the nature of Loans:

(i) The details of amount recoverable (including interest thereon) from the respective subsidiaries are given below:

(₹ in crore)

Name of the Subsidiary Companies	As at 31.03.2018	As at 31.03.2017	Maximum during the year ended 31.03.2018	Maximum during the year ended 31.03.2017
Coastal Maharashtra Mega Power Limited	12.24	11.10	12.24	11.10
Orissa Integrated Power Limited	182.09	138.93	182.09	138.93
Coastal Karnataka Power Limited	5.63	4.95	5.63	4.95
Coastal Tamil Nadu Power Limited	133.06	113.60	133.06	113.60
Chhattisgarh Surguja Power Limited	91.49	89.07	91.49	89.07
Sakhigopal Integrated Power Company Limited	7.84	7.12	7.84	7.12
Ghogarpalli Integrated Power Company Limited	6.71	6.08	6.71	6.11
Tatiya Andhra Mega Power Limited	9.47	9.36	9.47	9.36
Deoghar Mega Power Limited	14.82	10.69	14.82	10.69
PFC Green Energy Limited	0.12	0.11	0.12	0.36
PFC Capital Advisory Services Limited	0.00	0.03	0.03	0.20
Cheyur Infra Limited	0.06	0.04	0.06	0.04
Odisha Infra Power Limited	0.24	0.20	0.24	0.22
Bihar Infra Power Limited	0.03	0.02	0.05	0.18
Bihar Mega Power Limited	7.81	4.28	7.81	5.73
Deoghar Infra Limited	0.25	0.15	0.40	0.15
Jharkhand Infrapower Limited	0.04	0.03	0.04	0.03
PFC Consulting Limited	0.00	0.00	0.84	0.79
Total	471.90	395.76	472.94	398.63

Amount is in the nature of advances, does not include any loan.

(ii) The details of amount payable to subsidiaries (including interest) in respect of amounts contributed by power procurers and other amounts payable are given below:

(₹ in crore)

Name of the Subsidiary Companies	As at 31.03.2018	As at 31.03.2017	Maximum during the year ended 31.03.2018	Maximum during the year ended 31.03.2017
PFC Consulting Limited	6.50	1.06	6.50	6.40
Coastal Maharashtra Mega Power Limited	67.97	65.50	67.97	65.50
Orissa Integrated Power Limited	92.32	87.66	92.32	87.66
Coastal Tamil Nadu Power Limited	82.92	78.26	82.92	78.26
Chhattisgarh Surguja Power Limited	75.70	75.70	75.70	75.70
Sakhigopal Integrated Power Company Limited	27.46	26.30	27.46	26.30
Ghogarpalli Integrated Power Company Limited	25.98	24.88	25.98	24.88
Tatiya Andhra Mega Power Limited	26.94	26.36	26.94	26.36
Bihar Mega Power Limited	44.50	42.64	45.13	42.64
PFC Green Energy Limited	0.00	0.00	0.00	0.51
PFC Capital Advisory Services Limited	0.00	0.04	0.04	0.04
Deoghar Mega Power Limited	15.22	14.02	15.22	14.02
Total	465.51	442.42	466.18	448.27

(iii) Loans and Advances, in the nature of loans, to subsidiaries are given below:

(₹ in crore)

Name of the Firms / companies	Outstanding as at 31.03.2018	Outstanding as at 31.03.2017	Maximum during the year ended 31.03.2018	Maximum during the year ended 31.03.2017
PFC Green Energy Limited	268.41	252.69	275.06	255.06



B. None of the related party loanee is holding any equity investment in the Company as on 31.03.2018 (Previous year Nil).

9. As required under AS-19, disclosure with respect to various leases are given below:

(A) Asset under finance lease after 01.04.2001:

(i) Gross investment in leased assets and present value of minimum value receivable at the balance sheet date and value of unearned financial income are given in table below:

Description	(₹ in Crore)	
	As at 31.03.2018	As at 31.03.2017
Total of future minimum lease payments recoverable (Gross Investments)	328.15	335.79
Present value of lease payments recoverable	194.32	194.32
Unearned finance income	133.83	141.47
Maturity profile of total of future minimum lease payments recoverable (Gross Investment):-		
Not later than one year	51.84	27.11
Later than one year and not later than 5 years	128.52	107.10
Later than five years	147.79	201.58
Total	328.15	335.79
Break up of present value of lease payments recoverable:-		
Not later than one year	18.04	8.62
Later than one year and not later than 5 years	61.77	43.17
Later than five years	114.51	142.53
Total	194.32	194.32

(ii) The Company had sanctioned an amount of ₹ 88.90 crore in year 2004 as finance lease for financing wind turbine generator (commissioned on 19.07.2004). Sanction was reduced to ₹ 88.85 crore in December 2006. Gross investment stood at the level of ₹ 0.44 crore as on 31.03.2018 (Previous year ₹ 0.89 crore). Lease rent is to be recovered within a period of 15 Years, starting from 19.07.2004, which comprises of 10 years as primary period and 5 years as secondary period. Secondary period is in force with effect from 19.07.2014.

(iii) The Company had sanctioned an amount of ₹ 98.44 crore in year 2004 as finance lease for financing wind turbine generator (commissioned on 18.5.2004). Gross investment stood at Nil as on 31.03.2018 (Previous year ₹ 3.45 crore). Lease rent is to be recovered within a period of 20 years, starting from 18.05.2004, which comprises of 10 years as primary period and a maximum of another 10 years as secondary period. Secondary period started on 01.04.2014 and was completed on 08.06.2017 on prepayment of secondary period lease rental.

(iv) The Company had sanctioned an amount of ₹ 93.51 crore in year 2004 as finance lease for financing wind turbine generator (commissioned on 09.06.2005). Gross investment stood at Nil as on 31.03.2018 (Previous year ₹ 3.74 crore). Lease rent is to be recovered within a period of 19 years 11 months, starting from 09.06.2005, which comprises of 10 years as primary period and a maximum of 9 years and 11 months as secondary period. Secondary period started on 01.04.2015 and was completed on 09.06.2017 on prepayment of secondary period lease rental.

(v) The Company had sanctioned an amount of ₹ 228.94 crore in year 2008 as finance lease for financing wind turbine generator (commissioned on 18.05.2011). Gross investment stood at ₹ 327.71 crore as on 31.03.2018 (Previous year ₹ 327.71 crore). Lease rent is to be recovered within a period of 25 years, starting from 01.01.2012, which comprises of 18 years as primary period and a maximum of 7 years as secondary period.

(B) The Company's operating leases consist of:

Premises for offices and for residential use of employees are lease arrangements, and are usually renewable on mutually agreed terms, and are cancellable. Rent for residential accommodation of employees include ₹ 5.45 crore (Previous year ₹ 5.61 crore) towards lease payments, net of recoveries in respect of premises for residential use of employees. Lease payments in respect of premises for employees are shown as rent for residential accommodation of employees in Note Part A 16 – Employee Benefit Expenses. Lease payments in respect of premises for offices amounting to ₹ 0.50 crore (Previous year ₹ 0.50 crore) are shown as office rent in Note Part A 17 – Other Expenses.



10. Implementation of Gol Schemes

(A) Subsidy under Accelerated Generation & Supply Programme (AG&SP):

(i) The Company claimed subsidy from Gol at net present value calculated at indicative interest rates in accordance with GOI's letter vide D.O.No.32024 / 17 / 97 – PFC dated 23.09.1997 and O.M.No.32024 / 23 / 2001 – PFC dated 07.03.2003, irrespective of actual repayment schedule, moratorium period and duration of repayment. Amount of interest subsidy received and to be passed on to the borrower is retained as Interest Subsidy Fund Account. Impact of difference between indicative rate and period considered at the time of claims and at the time of actual disbursement can be ascertained only after end of respective schemes. However, on the basis of projections made for each project (based upon certain assumptions that these would remain same over the projected period of each loan / project), the Company estimated net excess amount of ₹ 9.64 crore and ₹ 103.09 crore as on 31.03.2018 (Previous year ₹ 8.67 crore and ₹ 93.56 crore) for IX and X Plan, respectively under AG&SP schemes, and there is no shortfall. This net excess amount is worked out on overall basis and not on individual basis and may vary due to change in assumptions, if any, during the projected period such as changes in moratorium period, repayment period, loan restructuring, pre-payment, interest rate reset etc. Any excess / shortfall in the interest subsidy fund will be refunded or adjusted / charged off on completion of respective scheme.

(ii) Balance under the head Interest Subsidy Fund shown as liability, represents amount of subsidy received from MoP, Gol which is to be passed on to borrowers against their interest liability arising in future under AG&SP, comprises of the following :-

(₹ in crore)

Description	Year ended 31.03.2018	Year ended 31.03.2017
Opening Balance	109.69	107.47
Add : Received during the period	-	-
: Interest credited during the period	9.32	9.06
: Refund by the borrower due to non – commissioning of project in time	-	-
Less : Interest subsidy passed on to borrowers	3.01	6.84
: Refunded to MoP:-		
(a) Estimated net excess against IX Plan	-	-
(b) Due to non- commissioning of Project in time	-	-
(c) Estimated net excess against X Plan	-	-
Closing Balance	116.00	109.69

(B) Re-structured Accelerated Power Development and Reforms Programme (R – APDRP):

(i) The Company is Nodal Agency for operationalization and associated service for implementation of R – APDRP.

Amounts received from the Gol under R – APDRP as a Nodal agency for on-lending to eligible borrowers are back to back arrangements with no profit or loss arising to the Company. The amount on-lended but not converted in to grants as per applicable guidelines will become payable along-with interest to the Gol on receipt from borrowers.

The amount recoverable from borrowers & payable to Gol under R – APDRP scheme stands at ₹ 14,645.44 crore as on 31.03.2018 (₹ 12,749.20 crore as on 31.03.2017).

(ii) The Company receives nodal agency fee and reimbursement of expenditure under R-APDRP scheme for operationalization and associated service for implementation of R – APDRP from MoP, Gol. The cumulative claim for fee and reimbursement of expenditure is subject to cap of ₹ 850 crore or 1.7% of likely project outlay under Part A & B of R-APDRP, whichever is less.

Total amount of nodal agency fee and reimbursement of expenditure received / receivable by the Company stands at ₹ 301.94 crore as on 31.03.2018 (₹ 280.72 crore as on 31.03.2017).



(C) Integrated Power Development Scheme (IPDS)

The Company has been designated as Nodal Agency for operationalization and implementation of IPDS scheme also under overall guidance of the MoP, GoI. Role of Nodal agency is mentioned in IPDS scheme which inter-alia includes administration of GoI grant to eligible utilities which can be recalled / pre-closed subject to certain conditions mentioned in IPDS guidelines.

Amount of GoI grant administered to the eligible utilities till 31.03.2018 is ₹ 5,329.82 crore (₹ 2,561.01 crore as on 31.03.2017).

The Company is eligible for nodal agency fee totaling to 0.50% (to be accrued in phases as per scheme) of total project cost approved by Monitoring Committee or award cost, whichever is lower.

11. (a) As regards RBI Credit Concentration Norms, RBI vide its letter dated 16.06.2016, has extended exemption in respect of exposure to Central / State Government entities till 31.03.2022. Thus, the Company continues to follow MoP approved credit concentration norms for Central / State Government entities.

(b) In line with RBI's letter dated 11.06.2014, Transmission & Distribution, Renovation & Modernization and Life Extension projects and also the hydro projects in Himalayan region or affected by natural disasters were regulated by the restructuring norms approved by MoP till 31.03.2017. Accordingly, with effect from 01.04.2017, RBI restructuring norms are applicable for any future restructuring undertaken in these loans.

12. Loan Assets, Other assets and provisions thereon:

(₹ in crore)

S. No.	Asset Classification	As at 31.03.2018			As at 31.03.2017		
		Principal Outstanding	Provision for the year ended 31.03.2018	Accumulated Provision	Principal Outstanding	Provision for the year ended 31.03.2017	Accumulated Provision
(A) Classification of Loan Assets and provision thereon							
(i)	Standard Assets	228,107.39	780.43	1,338.27	159,382.44	(39.57)	557.84
(ii)	Restructured Standard Assets	24,104.70*	(952.06)	1,404.17	55,440.62	1,227.03	2,356.23
(iii)	Sub-standard Assets	17,350.52	(640.11)	1,735.05	23,751.56	1,887.40	2,375.16
(iv)	Doubtful Assets	8,637.05	944.20	3,652.45	6,677.81	1,986.27	2,708.25
(v)	Loss Assets	715.10	442.26	715.10	272.84	24.56	272.84
(B) Other Assets and provision thereon							
(i)	Other Assets - NPA	2.51	(13.89)	2.51	16.40	15.39	16.40
	Grand Total	2,78,917.27	560.83	8,847.55	245,541.67	5,101.08	8,286.72

* ₹ 4,937.59 crore in private sector and ₹ 19,167.11 crore in Govt. sector (Previous year ₹ 19,445.92 crore in private sector and ₹ 35,994.70 crore in Govt. sector).

13. In case of a loan asset, fraud has been committed by the borrower; the amount outstanding of ₹442.26 crore as on 31.03.2018 has been classified as loss asset and has been fully provided for (no such incidences in previous year).

14. Basis of secured / un-secured categorization of loan assets:

a) In cases where Company is a lead or sole lender, it considers the loan asset as secured if hypothecation of movable project assets has been completed and mortgage of more than 50% of the project land for loan assets has been achieved. Further, wherever valuation is required as per applicable norms, the security status is updated on the basis of valuation report.

b) In all other cases, secured / un-secured categorization is done on the basis of security status obtained from the lead lender.



15. Details of Restructured Accounts along-with provisions thereon are given below:

(₹ in crore)

	Type of Restructuring		Under CDR / SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured accounts as on 1 st April, 2017	No. of borrowers	Nil					21	2	7	-	30	21	2	7	-	30
		Amount outstanding	Nil					55,440.62	15,001.83	4,768.24	-	75,210.69	55,440.62	15,001.83	4,768.24	-	75,210.69
		Provision Thereon	Nil					2,356.23	1,500.18	1,662.61	-	5,519.02	2,356.23	1,500.18	1,662.61	-	5,519.02
2	Categorised as restructured during the year	No. of borrowers	Nil					5	-	-	-	5	5	-	-	-	5
		Amount outstanding	Nil					709.42	-	-	-	709.42	709.42	-	-	-	709.42
		Provision Thereon	Nil					35.47	-	-	-	35.47	35.47	-	-	-	35.47
3	Up gradations to restructured standard category during the year	No. of borrowers	Nil					2	(2)	-	-	-	2	(2)	-	-	-
		Amount outstanding	Nil					12,016.83	(15,001.83)	-	-	(2,985.00)	12,016.83	(15,001.83)	-	-	(2,985.00)
		Provision Thereon	Nil					600.84	(1,500.18)	-	-	(899.34)	600.84	(1,500.18)	-	-	(899.34)
4	Restructured Standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the year and hence need not be shown as restructured standard advances at the beginning of the next FY (including Pre-payment of loan)	No. of borrowers	Nil					(10)	-	-	-	(10)	(10)	-	-	-	(10)
		Amount outstanding	Nil					(34,774.80)	-	-	-	(34,774.80)	(34,774.80)	-	-	-	(34,774.80)
		Provision Thereon	Nil					(1,481.84)	-	-	-	(1,481.84)	(1,481.84)	-	-	-	(1,481.84)
5	Down gradation of restructured accounts during the year	No. of borrowers	Nil					(6)	4	2	-	-	(6)	4	2	-	-
		Amount outstanding	Nil					(10,558.39)	9,069.61	2,121.12	-	632.33	(10,558.39)	9,069.61	2,121.12	-	632.33
		Provision Thereon	Nil					(448.73)	906.96	424.22	-	882.45	(448.73)	906.96	424.22	-	882.45
6	Write-offs restructured accounts during the year	No. of borrowers	Nil					-	-	-	-	-	-	-	-	-	-
		Amount outstanding	Nil					0.00	-	-	-	-	0.00	-	-	-	-
		Provision Thereon	Nil					0.00	-	-	-	-	0.00	-	-	-	-
7	Movement from restructured doubtful to doubtful category during the year	No. of borrowers	Nil					-	-	(1)	-	(1)	-	-	(1)	-	(1)
		Amount outstanding	Nil					0.00	-	(615.67)	-	(615.67)	0.00	-	(615.67)	-	(615.67)
		Provision Thereon	Nil					0.00	-	(382.55)	-	(382.55)	0.00	-	(382.55)	-	(382.55)
8	Restructured accounts as on 31 st March, 2018	No. of borrowers	Nil					12	4	8	-	24	12	4	8	-	24
		Amount outstanding	Nil					24,104.70	9,069.61	6,697.52	-	39,871.83	24,104.70	9,069.61	6,697.52	-	39,871.83
		Provision Thereon	Nil					1,404.17	906.96	2,469.68	-	4,780.81	1,404.17	906.96	2,469.68	-	4,780.81

16. Asset classification of loan accounts of one of the borrower has been maintained as standard as on 31.03.2018 in view of ad-interim stay from jurisdictional Hon'ble High Court, vide order dated 17.06.2015 followed by legal opinion. However, interest on this loan is being recognized on realisation basis. Accordingly, Interest / income of ₹ 573.18 crore accrued and remaining unrealised has not been recognized during year ended 31.03.2018 (previous year ₹ 413.03 crore). Further, provision in this account stands at ₹ 515.46 crore as on 31.03.2018 (Previous year ₹ 163.17 crore).



17. Disclosures as per Accounting Standard –15 :-

A. Provident fund

The Company pays fixed contribution on account of provident fund at prescribed rates to a separate trust, which invests the funds in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to the statement of profit and loss. The trust has to ensure, a minimum rate of return to the members as specified by Gol. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

B. Gratuity

The Company has a defined gratuity scheme which is managed by a separate trust. The provision for the same has been made on actuarial valuation based on total number of years of service rendered by an employee subject to a maximum amount of ₹ 20 lakh per employee.

C. Pension

The Company has a defined contribution pension scheme till 31.12.2017 which was managed by a separate trust. Employee and Employer contribution to the fund has been contributed on monthly basis. The Company has switched to National Pension System w.e.f. 01.01.2018.

D. Post-Retirement Medical Scheme (PRMS)

The Company has Post-Retirement Medical Scheme (PRMS), under which retired employees and their dependent family member are provided with medical facilities as per Company rules. They can also avail reimbursement of out-patient treatment subject to a ceiling fixed by the Company.

This scheme is managed by a separate trust. The provision for the same has been made on actuarial valuation. The trust has to ensure, adequate corpus for meeting the medical expenditure incurred by the retired employees. However, any short fall has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

E. Terminal Benefits

Terminal benefits include settlement in home town for employees & their dependents.

F. Leave

The Company provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis @ 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. Earned leave is en-cashable during the service; while half pay leave is not en-cashable during the service or on separation / superannuation before 10 years. On separation after 10 years of service or on superannuation, earned leave plus half pay leave together can be en-cashed subject to a maximum of 300 days. However, there is no restriction in the number of years of service for earned leave encashment on separation from the service.

G. The above mentioned schemes (D, E and F) are unfunded and are recognized on the basis of actuarial valuation.

H. The summarised position of various defined benefits recognized for the year 31.03.2018 in the statement of profit and loss account, balance sheet are given below {Figures in brackets () are for Previous year}:



i) Expenses recognised in Statement of Profit and Loss Account

Description	(₹ in crore)		
	Gratuity	PRMS	Leave
Current service cost	1.62 (1.82)	1.02 (0.78)	3.54 (2.93)
Interest cost on benefit obligation	1.74 (1.66)	1.64 (1.43)	2.37 (2.15)
Expected return on plan assets	-1.93 (-1.84)	-1.45 (-1.01)	0.00 (0.00)
Past Service Cost	10.87 -	- -	- -
Net actuarial (gain) / loss recognised in the year	-10.80 (-0.23)	5.46 (2.84)	3.65 (2.41)
Expenses recognised in Statement of Profit & Loss Account*	1.50 (1.41)	6.67 (4.04)	9.56 (7.49)

During the year, the expenses include ₹ 0.07 crore (previous year ₹ 0.09 crore), ₹ 0.41 crore (previous year ₹ 0.43 crore) and ₹ 0.33 crore (previous year ₹ 0.29 crore) for gratuity, leave and PRMS respectively allocated to subsidiary companies.

ii) Amount recognized in the Balance Sheet

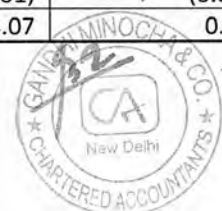
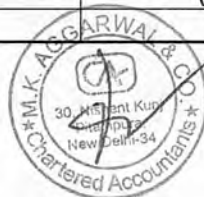
Description	(₹ in crore)		
	Gratuity	PRMS	Leave
Present value of obligation as at 31.03.2018 (i)	25.57 (22.95)	27.81 (21.82)	21.22 (30.68)
Fair value of plan assets as at 31.03.2018 (ii)	24.07 (21.74)	22.20 (18.15)	0.00 (0.00)
Difference (ii) – (i)	-1.50 (-1.21)	-5.61 (-3.67)	-21.22 (-30.68)
Net asset / (liability) recognized in the Balance Sheet	-1.50 (-1.21)	-5.61 (-3.67)	-21.22 (-30.68)

iii) Changes in present value of defined benefit obligations

Description	(₹ in crore)		
	Gratuity	PRMS	Leave
Present value of obligation as at 01.04.2017	22.96 (20.74)	21.82 (17.83)	30.68 (26.89)
Interest cost	1.74 (1.66)	1.64 (1.43)	2.37 (2.15)
Current service cost	1.62 (1.82)	1.02 (0.78)	3.54 (2.93)
Benefits paid	-0.82 (-0.98)	-2.36 (-1.09)	-19.02 (-3.70)
Past Service Cost	10.87 -	- -	- -
Net actuarial (gain)/loss on obligation	-10.8 (-0.29)	5.69 (2.87)	3.65 (2.41)
Present value of the defined benefit obligation as at 31.03.2018	25.57 (22.95)	27.81 (21.82)	21.22 (30.68)

iv) Changes in fair value of plan assets

Description	(₹ in crore)		
	Gratuity	PRMS	Leave
Fair value of plan assets as at 01.04.2017	21.74 (20.47)	18.15 (0.00)	0.00 (0.00)
Expected return on plan assets	1.93 (1.84)	1.45 (1.01)	0.00 (0.00)
Contributions by employer	1.22	4.07	0.00



	(0.47)	(17.93)	(0.00)
Benefit paid	-0.82	-1.71	0.00
	(-0.98)	(-0.83)	(0.00)
Actuarial gain / (loss)	-	0.24	0.00
	(-0.06)	(0.04)	(0.00)
Fair value of plan assets as at 31.03.2018	24.07	22.2	0.00
	(21.74)	(18.15)	(0.00)

v) One percent increase / decrease in inflation rate would impact liability for medical cost of PRMS, as under:-

Particulars	(₹ in crore)	
	PRMS	Service and Interest Cost
Cost increase by 1%	3.21	0.27
Cost decrease by 1%	3.09	0.26

vi) During the year, Company has provided liability of ₹ 1.50 crore, ₹ 6.67 crore, ₹ 9.56 crore and ₹ 0.07 crore (previous year ₹ 1.41 crore, ₹ 4.04 crore, ₹ 7.49 crore and Nil) towards contribution to the Gratuity Trust, PRMS, Leave and towards Pension respectively. Above amount includes ₹ 0.07 crore, ₹ 0.41 crore and ₹ 0.33 crore (previous year ₹ 0.09 crore, ₹ 0.43 crore and ₹ 0.29 crore) for Gratuity, Leave and PRMS respectively allocated to subsidiary companies.

I. Other Employee Benefits:-

During the year, provision of ₹ 0.12 crore (previous year ₹ 0.21 crore) has been made for Economic Rehabilitation Scheme (ERS) for employees and provision of ₹ 0.75 crore (previous year ₹ 0.59 crore) has been made for Long Service Award (LSA) for employees on the basis of actuarial valuation made at end of the year by charging / crediting statement of profit and loss. LSA includes ₹ 0.05 crore (previous year ₹ 0.05 crore) allocated to subsidiary companies.

J. (I) Details of Plan Asset:- Gratuity

The details of plan assets at cost, as at 31.03.2018 are given below:

(₹ in crore)			
S. No.	Description	As at 31.03.2018	As at 31.03.2017
i)	Government Securities	14.11	12.95
ii)	Corporate bonds / debentures ⁽¹⁾	8.66	7.86
iii)	Other Investments & Bank balances	0.78	0.31
	Total	23.55	21.12

⁽¹⁾As at 31.03.2018, Bonds of the Company amounting to ₹ 0.60 crore (previous year ₹ 0.60 crore) are held by PFC Limited Gratuity Trust.

Principal assumptions used for actuarial valuation are:-

Method used	Projected Unit Credit Method
Discount rate	7.87%
Expected rate of return on assets – Gratuity	7.94%
Future salary increase	6.00%

Estimate of future salary increases considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

(II) Details of Plan Asset:- PRMS

The details of the plan assets at cost, as on 31.03.2018 are as follows:-

(₹ in crore)			
S.No.	Description	As at 31.03.2018	As at 31.03.2017
i)	Government Securities	10.11	8.07
ii)	Corporate bonds / debentures	10.46	8.54
iii)	Other Investments & Bank Balances	1.14	0.97
	Total	21.71	17.58



Principal assumptions used for actuarial valuation are:-

Method used	Projected Unit Credit Method
Discount rate	7.87%
Expected rate of return on assets – PRMS	7.76%
Future salary increase*	6.00%

Estimates of future salary increases considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

K. Employee benefits (viz. Gratuity, PRMS, Terminal Benefits, Leave encashment and other employee benefits) in respect of Company's employees working in PFCCAS, PFCGEL and PFCCL (subsidiaries of the Company) on deputation / secondment basis, are being allocated based on a fixed percentage of employee cost.

L. Other disclosures

(₹ in crore)

Gratuity*	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation as at	25.57	22.95	20.74	19.36	17.98
Fair value of plan assets as at	24.07	21.74	20.47	19.14	17.12
Surplus/(Deficit)	(1.50)	(1.21)	(0.27)	(0.21)	(0.86)
Experience adjustment on plan liabilities (loss)/gain	9.27	1.38	1.09	1.10	0.31
Experience adjustment on plan assets (loss)/gain	0.00	(0.06)	0.02	0.09	0.26

The Company's best estimate of contribution towards gratuity for financial year 2018-19 is ₹ 3.31 crore (previous year ₹ 1.16 crore). Actual return on plan assets during the year ended 31.03.2018 is ₹ 1.93 crore (previous year ₹ 1.79 crore). Further, expected return on plan assets has been determined considering several applicable factors, mainly, composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

(₹ in crore)

PRMS*	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation as at	27.81	21.82	17.83	14.58	11.75
Fair value of plan assets as at	22.20	18.15	-	-	-
Surplus/(Deficit)	(5.61)	(3.67)	(17.83)	(14.58)	(11.75)
Experience adjustment on plan liabilities (loss)/gain	(6.46)	(1.34)	(2.36)	(2.11)	(1.54)
Experience adjustment on plan assets (loss)/gain	0.24	0.03	-	-	-

The Company's best estimate of contribution towards PRMS for financial year 2018-19 is ₹ 5.62 crore (Previous year ₹ 4.97 crore). Actual return on plan assets during the year ended 31.03.2018 is ₹ 1.69 crore (Previous year ₹ 1.04 crore). Further, expected return on plan assets has been determined considering several applicable factors, mainly, composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

(₹ in crore)

Leave	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation as at	21.22	30.68	26.89	23.42	20.66
Experience adjustment on plan liabilities (loss)/gain	(4.75)	(1.04)	(2.18)	(1.18)	(2.63)

(₹ in crore)

LSA	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation as at	5.30	4.99	4.74	4.49	4.04
Experience adjustment on plan liabilities (loss)/gain	(0.25)	1.18	1.10	0.67	0.46

(₹ in crore)

ERS	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation as at	1.67	1.63	1.50	1.24	1.24
Experience adjustment on plan liabilities (loss)/gain	0.31	0.52	0.02	0.38	0.46



(₹ in crore)

Baggage Allowance	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation as at	0.20	0.13	0.11	0.10	0.09
Experience adjustment on plan liabilities (loss)/gain	0.00	0.00	0.02	0.02	0.01

18. Corporate Social Responsibility:

(a) In line with 'Guidance Note on Accounting for Expenditure on Corporate Social Responsibility (CSR) Activities' issued by The Institute of Chartered Accountants of India, provision on account of unspent CSR expenses as on 31.03.2017 of ₹ 100.20 crore has been reversed during the year ended 31.03.2018. On the basis of expenditure incurred ₹ 118.18 crore has been charged to Profit and Loss Account during the year ended 31.03.2018.

(b) Details of gross amount required to be spent on CSR activities by the Company during the year.

(₹ in crore)

Particulars	FY 2017-18	FY 2016-17
Amount required to be spent on CSR activities as per Section 135 (5) of Companies Act, 2013	149.21	166.15
Carry forward from previous year	100.20	102.16
Gross amount required to be spent	249.41	268.31
Amount spent during the year	118.18	168.11
Unspent amount	131.23	100.20

(c) Amount spent during the year on CSR activities:

(₹ in crore)

S. No.	Particulars	FY 2017-18			FY 2016-17		
		Paid or settled	Yet to be paid	Total	Paid or settled	Yet to be paid	Total
(i)	Construction / acquisition of any assets	-	-	-	-	-	-
(ii)	On purposes other than (i) above						
(iia)	Sanitation / Waste Management / Drinking water	60.27	-	60.27	112.52	0.20	112.72
(iib)	Education / Vocational Skill development	26.45	-	26.45	30.32	-	30.32
(iic)	Environmental Sustainability (Solar Applications / Afforestation / Energy efficient LED lighting)	27.12	-	27.12	20.93	0.76	21.69
(iid)	Sports	0	-	0	0.10	-	0.10
(iie)	Others	2.18	-	2.18	1.02	-	1.02
(iif)	Administrative overheads including training, impact assessment etc. limited to 5% of total amount required to be spent on CSR	2.16	-	2.16	2.02	0.24	2.26
	Total (ii)	118.18	-	118.18	166.91	1.20	168.11
	Grand Total (i) and (ii)			118.18			168.11

(d) Details of related party transactions w.r.t. CSR activities as per Accounting Standard (AS) 18, Related Party Disclosures – Nil (Previous year Nil).

(e) Movements in the CSR provision during the year as per AS-29 shown separately at Note Part C - 19.



19. Disclosure of provisions as required under Accounting Standard – 29, {Figures in brackets () are for previous year}, are given below:

(₹ in crore)

Provision for	Opening Balance as on 01.04.2017 (1)	Addition during the year (2)	Used during the year (3)	Reversals (4)	Closing Balance as on 31.03.2018 5 = (1+2-3-4)
CSR	100.20 (102.16)	- (166.15)	- (168.11)	100.20 (-)	- (100.20)
Proposed Final Dividend	- (79.20)	- (-)	- (79.20)	- (-)	- (-)
Proposed Corporate Dividend Tax	- (16.12)	- (-)	- (16.12)	- (-)	- (-)
Interim Dividend	1,320.04 (-)	2,059.26 (1,320.04)	3,379.30 (-)	- (-)	- (1,320.04)
Corporate Dividend Tax on Interim dividend	67.18 (-)	419.22 (268.73)	471.16 (201.55)	15.24 (-)	- (67.18)

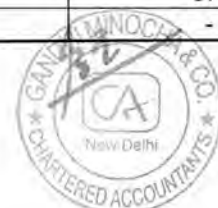
20. Modifications in Significant Accounting Policies (Note - Part – B) having financial impact, during the year ended 31.03.2018, are as follows:

(₹ in crore)

S. No.	Significant Accounting Policy		Modifications	Impact on PBT [increase / (decrease)]
	No.	Title		
1.	2.4	Recognition of Income / Expenditure	Inserted to amortise the arrangement fee on long term foreign currency borrowings over its tenure.	120.64
2.	6.2	Provisioning against Standard Assets, Restructured Standard Assets and NPAs.	Rate of provisioning has been enhanced on standard assets from 0.35% to 0.40% as per RBI Norms.	(114.05)
			Rate of provisioning has been enhanced on Restructured Standard Assets from 4.25% to 5% as per RBI norms.	(180.79)
			Policy regarding provisioning requirement of restructured project loans related to Transmission & Distribution, Renovation & Modernization and Life Extension projects and also the hydro projects in Himalayan region or affected by natural disasters has been aligned in line with RBI restructuring norms.	(67.83)
3.	7	Foreign Currency Transactions	Exchange difference in case of loan from KfW, Germany has been charged off to Statement of Profit and Loss as against earlier policy of transferring it to Interest Differential Fund Account – KfW.	(1.51)
Total				(243.54)

21. Depreciation on assets is provided over the useful life of assets as mentioned below:

S. No.	Category of Assets	Useful Life in Years	Residual value as a % of original Cost
1.	Building	60	5%
2.	EDP Equipment		
2A	Servers and networks	6	5%
2B	End user devices i.e. desktops, laptops etc.	3	5%
3.	Office and other Equipment	5	5%
3A	Cell Phone	2	5%
4.	Furniture & Fixture	10	5%
5.	Vehicle (Car)	8	5%
6.	Intangible Assets	5	-



	Assets as mentioned at Sl. No. 1 to 5 above are depreciated using written down value method and Intangible Assets are amortized using straight-line method over the useful life estimated by the Company. Further, Company's estimate of useful life for Cell Phone is shorter than the life prescribed in Schedule II of the Companies Act, 2013, and for all other items useful life is in line with Schedule II of the Companies Act, 2013.																																									
22.	The Company has no outstanding liability towards Micro, Small and Medium enterprises.																																									
23.	Leasehold land is not amortized, as it is a perpetual lease.																																									
24.	As required under Section 125 of the Companies Act, 2013, ₹ 0.83 crore, (Previous year ₹ 4.58 crore), became due for transfer to the Investor Education and Protection Fund (IEPF) during the year ended 31.03.2018 and was deposited. Further, an amount of ₹ 2.63 crore (Previous year ₹ 2.03 crore) remains unpaid pending completion of transfer formalities by the claimants.																																									
25.	During the year, the Company has sent letters seeking confirmation of balances as at 31.12.2017 to the borrowers. Confirmation for 99.12% of the said balances have been received and confirmation for ₹ 2,291.39 crore is awaited.																																									
26.	Status of net deferred tax assets / liabilities as per Accounting Standard 22 "Accounting for Taxes on Income" is given below (₹ in crore)																																									
	<table border="1"> <thead> <tr> <th>Description</th> <th>As at 31.03.2018</th> <th>As at 31.03.2017</th> </tr> </thead> <tbody> <tr> <td>(A) Deferred Tax Asset (+)</td> <td></td> <td></td> </tr> <tr> <td>(i) Provision for expenses not deductible under Income Tax Act</td> <td>15.33</td> <td>17.30</td> </tr> <tr> <td>(B) Deferred Tax Liabilities (-)</td> <td></td> <td></td> </tr> <tr> <td>(i) Depreciation</td> <td>0.80</td> <td>0.19</td> </tr> <tr> <td>(ii) Lease income</td> <td>(66.64)</td> <td>(66.00)</td> </tr> <tr> <td>(iii) Amortization</td> <td>(0.31)</td> <td>(0.24)</td> </tr> <tr> <td>(iv) Unamortized Exchange Loss (Net)</td> <td>(135.61)</td> <td>(100.76)</td> </tr> <tr> <td>(v) Net MTM Receivable from bank against derivative</td> <td>(55.70)</td> <td>(101.00)</td> </tr> <tr> <td>(vi) Unamortise Exp on Borrowings</td> <td>(58.77)</td> <td>-</td> </tr> <tr> <td>Net Deferred Tax liabilities (-)/Assets (+)</td> <td>(300.90)</td> <td>(250.51)</td> </tr> </tbody> </table>	Description	As at 31.03.2018	As at 31.03.2017	(A) Deferred Tax Asset (+)			(i) Provision for expenses not deductible under Income Tax Act	15.33	17.30	(B) Deferred Tax Liabilities (-)			(i) Depreciation	0.80	0.19	(ii) Lease income	(66.64)	(66.00)	(iii) Amortization	(0.31)	(0.24)	(iv) Unamortized Exchange Loss (Net)	(135.61)	(100.76)	(v) Net MTM Receivable from bank against derivative	(55.70)	(101.00)	(vi) Unamortise Exp on Borrowings	(58.77)	-	Net Deferred Tax liabilities (-)/Assets (+)	(300.90)	(250.51)								
Description	As at 31.03.2018	As at 31.03.2017																																								
(A) Deferred Tax Asset (+)																																										
(i) Provision for expenses not deductible under Income Tax Act	15.33	17.30																																								
(B) Deferred Tax Liabilities (-)																																										
(i) Depreciation	0.80	0.19																																								
(ii) Lease income	(66.64)	(66.00)																																								
(iii) Amortization	(0.31)	(0.24)																																								
(iv) Unamortized Exchange Loss (Net)	(135.61)	(100.76)																																								
(v) Net MTM Receivable from bank against derivative	(55.70)	(101.00)																																								
(vi) Unamortise Exp on Borrowings	(58.77)	-																																								
Net Deferred Tax liabilities (-)/Assets (+)	(300.90)	(250.51)																																								
27.	In compliance with Accounting Standard – 20 on Earning Per Share, the calculation of Earnings Per Share (basic and diluted) is given below:																																									
	<table border="1"> <thead> <tr> <th>Description</th> <th>During year ended 31.03.2018</th> <th>During year ended 31.03.2017</th> </tr> </thead> <tbody> <tr> <td>Net Profit after tax used as numerator (₹ in crore)</td> <td>5,855.22</td> <td>2,126.39</td> </tr> <tr> <td>Weighted average number of equity shares used as denominator (basic)</td> <td>264,00,81,408</td> <td>264,00,81,408</td> </tr> <tr> <td>Diluted effect of outstanding Stock Options</td> <td>-</td> <td>-</td> </tr> <tr> <td>Weighted average number of equity shares used as denominator (diluted)</td> <td>264,00,81,408</td> <td>264,00,81,408</td> </tr> <tr> <td>Earning per equity share, face value ₹ 10 each (basic) (₹)</td> <td>22.18</td> <td>8.05</td> </tr> <tr> <td>Effect of outstanding Stock Options (₹)</td> <td>-</td> <td>-</td> </tr> <tr> <td>Earning per equity share, face value ₹ 10 each (diluted) (₹)</td> <td>22.18</td> <td>8.05</td> </tr> </tbody> </table>	Description	During year ended 31.03.2018	During year ended 31.03.2017	Net Profit after tax used as numerator (₹ in crore)	5,855.22	2,126.39	Weighted average number of equity shares used as denominator (basic)	264,00,81,408	264,00,81,408	Diluted effect of outstanding Stock Options	-	-	Weighted average number of equity shares used as denominator (diluted)	264,00,81,408	264,00,81,408	Earning per equity share, face value ₹ 10 each (basic) (₹)	22.18	8.05	Effect of outstanding Stock Options (₹)	-	-	Earning per equity share, face value ₹ 10 each (diluted) (₹)	22.18	8.05																	
Description	During year ended 31.03.2018	During year ended 31.03.2017																																								
Net Profit after tax used as numerator (₹ in crore)	5,855.22	2,126.39																																								
Weighted average number of equity shares used as denominator (basic)	264,00,81,408	264,00,81,408																																								
Diluted effect of outstanding Stock Options	-	-																																								
Weighted average number of equity shares used as denominator (diluted)	264,00,81,408	264,00,81,408																																								
Earning per equity share, face value ₹ 10 each (basic) (₹)	22.18	8.05																																								
Effect of outstanding Stock Options (₹)	-	-																																								
Earning per equity share, face value ₹ 10 each (diluted) (₹)	22.18	8.05																																								
28.	A) The status of dividend on equity shares of face value of ₹ 10 each, for the year ended 31.03.2018 is as under:																																									
	<table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="3">Year ended 31.03.2018</th> <th colspan="3">Year ended 31.03.2017</th> </tr> <tr> <th>% of share capital</th> <th>Per equity share (₹)</th> <th>Amount (₹ in crore)</th> <th>% of share capital</th> <th>Per equity share (₹)</th> <th>Amount (₹ in crore)</th> </tr> </thead> <tbody> <tr> <td>First Interim dividend</td> <td>60%⁽¹⁾</td> <td>6.00</td> <td>1,584.05</td> <td>50%</td> <td>5.00</td> <td>1,320.04</td> </tr> <tr> <td>Second Interim dividend</td> <td>18%⁽²⁾</td> <td>1.80</td> <td>475.21</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Final Dividend</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total Dividend</td> <td>78%</td> <td>7.80</td> <td>2,059.26</td> <td>50%</td> <td>5.00</td> <td>1,320.04</td> </tr> </tbody> </table>	Particulars	Year ended 31.03.2018			Year ended 31.03.2017			% of share capital	Per equity share (₹)	Amount (₹ in crore)	% of share capital	Per equity share (₹)	Amount (₹ in crore)	First Interim dividend	60% ⁽¹⁾	6.00	1,584.05	50%	5.00	1,320.04	Second Interim dividend	18% ⁽²⁾	1.80	475.21	-	-	-	Final Dividend	-	-	-	-	-	-	Total Dividend	78%	7.80	2,059.26	50%	5.00	1,320.04
Particulars	Year ended 31.03.2018			Year ended 31.03.2017																																						
	% of share capital	Per equity share (₹)	Amount (₹ in crore)	% of share capital	Per equity share (₹)	Amount (₹ in crore)																																				
First Interim dividend	60% ⁽¹⁾	6.00	1,584.05	50%	5.00	1,320.04																																				
Second Interim dividend	18% ⁽²⁾	1.80	475.21	-	-	-																																				
Final Dividend	-	-	-	-	-	-																																				
Total Dividend	78%	7.80	2,059.26	50%	5.00	1,320.04																																				
	⁽¹⁾ Declared by Board of Directors in their 367 th meeting held on 03.11.2017 and paid on 23.11.2017.																																									
	⁽²⁾ Declared by Board of Directors in their 370 th meeting held on 26.02.2018 and paid on 19.03.2018.																																									



B) Dividend payable to Non-Resident Shareholders

The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of non-resident shareholders. Particulars of dividends paid / payable to non-resident shareholders (including Foreign Institutional Investors) are given below:

Description	First Interim Dividend		Second Interim Dividend		Final Dividend	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Year to which the dividend relates	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Number of non-resident shareholders	4,573	3,343	5,237	NA	NA	NA
Number of shares held by them of Face Value of ₹ 10 each	39,29,13,189	41,32,25,284	38,37,17,025	NA	NA	NA
Gross amount of Dividend (₹ in crore)	235.75	206.61	69.07	NA	NA	NA

29. Other key financial parameters:

Description	As at 31.03.2018	As at 31.03.2017
Debt Equity Ratio	5.76	5.55
Net worth (₹ in crore)	39,860.67	36,470.21

30. Capital Funds, Risk Weighted Assets and Capital Risk Adjusted Ratio (CRAR) of Company are given below:

Items		As at 31.03.2018	As at 31.03.2017
(i)	Capital Fund - a. Tier I (₹ in crore)	36,476.79	33,454.83
	- b. Tier II (₹ in crore)	6,470.46	6,369.90
(ii)	Risk weighted assets along-with adjusted value of off balance sheet items. (₹ in crore)	2,14,881.19	2,06,567.92
(iii)	CRAR	19.99%	19.28%
(iv)	CRAR – Tier I Capital	16.98%	16.20%
(v)	CRAR – Tier II Capital	3.01%	3.08%
		During the year ended 31.03.2018	During the year ended 31.03.2017
(vi)	Amount of subordinated debt raised as Tier-II capital (₹ in crore)	-	-
(vii)	Amount raised by issue of Perpetual Debt Instruments (₹ in crore)	-	-



31. Additional disclosures in accordance with RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

(A) Significant Accounting Policies

Reference may be made to Note Part - B.

(B) Capital

Reference may be made to Note Part C - 30 for CRAR.

(C) Investments

(₹ in crore)

Sl. No.	Description	As at 31.03.2018	As at 31.03.2017
(1)	Value of Investments		
(i)	Gross Value of Investments		
(a)	In India	2,680.68	3,680.94
(b)	Outside India	-	-
(ii)	Provisions for Depreciation		
(a)	In India	344.32	89.81
(b)	Outside India	-	-
(iii)	Net Value of Investments		
(a)	In India	2,336.36	3,591.13
(b)	Outside India.	-	-
(2)	Movement of provisions held towards depreciation on investments.		
(i)	Opening balance	89.81	97.32
(ii)	Add : Provisions made during the year	254.51	86.59
(iii)	Less : Write-off / write-back of excess provisions during the year	-	94.10
(iv)	Closing balance	344.32	89.81

(D) Derivatives

I. Forward Rate Agreement / Interest Rate Swap in respect of Loan Liabilities:

(₹ in crore)

Sl. No.	Description	As at 31.03.2018	As at 31.03.2017
(i)	Notional principal of swap agreements	13,781.48	6,813.10
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	180.81	299.87
(iii)	Collateral required by NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from swaps	-	-
(v)	Fair value of swap book (obtained from counterparty banks)	167.60	299.87

II. Company does not hold any exchange traded Interest Rate (IR) derivatives (Previous year Nil).

III. Qualitative disclosures on Risk Exposure in Derivatives:

- Company has put in place a Board approved Currency Risk Management (CRM) policy to manage and hedge risks associated with foreign currency borrowing. The said policy prescribes structure and organization for management of associated risks.
- Company enters into derivatives viz. Principal only Swaps, Interest Rate Swaps, options and Forward Contracts for hedging the interest / exchange rate risk in Rupee and foreign currency liabilities. As per the CRM Policy, a system for reporting and monitoring of risks is in place; wherein Risk Management Committee consisting of senior executives monitors the foreign currency exchange rate and interest rate risks managed through various derivative instruments.
- These derivative transactions are done for hedging purpose and not for trading or speculative purpose. These are accounted for as per the accounting standard 11 / Guidance Note on Derivatives issued by ICAI. The mark to market positions mentioned are those as informed by the counterparty banks.



d. Reference may be made to Note Part B - 8 for relevant accounting policy on derivative transactions.

IV. Quantitative Disclosures on Risk Exposure in Derivatives in respect of Loan Liabilities:

(₹ In crore)

Sl. No.	Particular	As at 31.03.2018		As at 31.03.2017	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging ⁽¹⁾	9,729.73	13,781.48	2,107.63	6,813.10
(ii)	Marked to Market Positions (MTM)				
	a) Asset (+MTM)	2.78	180.81	0.00	299.87
	b) Liability (-MTM)	226.18	13.21	68.41	0.00
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures ⁽²⁾	8,940.05	7,391.86	6,405.68	6,296.24

⁽¹⁾ Interest rate derivatives include derivatives on Rupee liabilities of ₹ 5,634.60 crore (Previous year ₹ 6,164.60 crore)

⁽²⁾ Includes JPY loan liability partly hedged through forward rate contract entered for one leg (USD/INR) for ₹ 293.29 crore (Previous year covering USD / JPY ₹ 291.83 crore).

(E) Disclosures related to Securitization

- I. Company has not entered into any securitization transaction during the year and there is no exposure on account of securitization as at 31.03.2018 (Previous year Nil).
- II. Company has not sold any financial assets to Securitization / Asset Reconstruction Company during the year ended 31.03.2018 (Previous year Nil).
- III. Company has not undertaken any assignment transaction during the year ended 31.03.2018 (Previous year Nil).
- IV. Company has neither purchased nor sold any non-performing financial assets during the year ended 31.03.2018 (Previous year Nil).

(F) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities:

(₹ in crore)

Description	Up to 30/31 days	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits ⁽¹⁾	532.95	-	-	-	-	-	-	-	532.95
Advances ⁽²⁾	4,485.03	688.44	3,905.59	7,909.22	12,684.38	42,719.38	47,703.98	158,577.76	278,673.77
Investments ⁽³⁾	-	-	-	-	1,070.76	-	-	1,265.60	2,336.36
Borrowings ⁽⁴⁾	1,275.80	2,805.00	7,345.70	12,457.70	13,056.65	69,867.71	37,178.05	67,628.47	211,615.08
Foreign Currency assets	-	-	-	-	-	-	-	240.96	240.96
Foreign Currency Liabilities	4.67	-	5.93	-	2,348.39	5,174.02	8,024.53	2,702.55	18,260.08

⁽¹⁾ Fixed Deposit with Banks

⁽²⁾ Rupee Loan Assets

⁽³⁾ Net of provision

⁽⁴⁾ Rupee Liabilities

(G) Exposures

- I. Company does not have any exposure to real estate sector.
- II. Exposure to Capital Market:



(₹ in crore)			
Sl. No.	Description	Amount as at 31.03.2018	Amount as at 31.03.2017
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares);	1,874.53	1,874.79
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances (excluding loans where security creation is under process);	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	2,700.47	2,772.39
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	6.15	6.15
Total Exposure to Capital Market		4,581.15	4,653.33

III. Details of financing of parent company products:

Company does not have a parent company.

IV. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC:

Company has not exceeded its prudential exposure limits against Single Borrower / Group Borrower Limits during FY 2017-18 and FY 2016-17.

V. Unsecured Advances:

Total amount of advances for which intangible securities such as charge over the rights, licenses, authority etc. has been taken is Nil as at 31.03.2018 (Previous year Nil).

(H) Registration obtained from other financial sector regulators:

Nil.

(I) Disclosure of Penalties imposed by RBI and other regulators

During the year ended 31.03.2018, no penalty has been imposed on the Company by RBI and other regulators (Previous year Nil).



(J) Credit rating

a. Ratings assigned by credit rating agencies and migration of ratings during the year:

Sl. No.	Rating Agency	Long Term Rating	Short Term Rating
1.	CRISIL	CRISIL AAA	CRISIL A1+
2.	ICRA	ICRA AAA	ICRA A1+
3.	CARE	CARE AAA	CARE A1+

No rating migration has taken place during the year.

b. Long term foreign currency issuer rating assigned to the Company as at 31.03.2018:

Sl. No.	Rating Agency	Rating	Outlook
1.	Fitch Ratings	BBB-	Stable
2.	Standard & Poor (S&P)	BBB-	Stable
3.	Moody's	Baa3	Stable

(K) Net Profit or Loss for the period, prior period items and changes in accounting policies

Reference may be made to Statement of Profit and Loss, Note Part A-18 and Note Part C-20 regarding prior period items and changes in accounting policies respectively.

(L) Circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties

Reference may be made to Note Part C-16

(M) Company is preparing Consolidated Financial Statements in accordance with Accounting Standard – 21 and 27. Reference may be made to Part C – 7 (A) of notes to accounts in this regard.**(N) Provisions and Contingencies**

(₹ In crore)

Description	For the year ended 31.03.2018	For the year ended 31.03.2017
Provisions for depreciation on Investment	254.51	(7.51)
Provision towards NPA	732.46	3,913.62
Provision for Standard Assets	780.43	(39.57)
Restructured Standard Assets	(952.06)	1,227.03
Provision made towards Income tax	2,421.34	3,074.30

(O) Draw Down from Reserves

Reference may be made to Note Part A – 2 Reserves and Surplus.

(P) Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of Deposits (for deposit taking NBFCs) - Company is a non-deposit accepting NBFC.

b. Concentration of Advances:

(₹ In crore)

Description	As at 31.03.2018	As at 31.03.2017
Total Advances to 20 largest borrowers	1,62,724.45	1,53,506.95
Percentage of Advances to 20 largest borrowers to Total Advances of the Company	58.34%	62.60%



c. Concentration of Exposures:

(₹ In crore)

Description	As at 31.03.2018	As at 31.03.2017
Total Exposure to twenty largest borrowers / customers	2,37,469.89	2,40,892.19
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the Company on borrowers / customers	53.90%	56.23%

d. Concentration of NPAs:

(₹ In crore)

Description	As at 31.03.2018	As at 31.03.2017
Total Outstanding to top four NPA accounts	12,326.29	22,667.83

e. Sector-wise NPAs:

Company is a Government Company engaged in extending financial assistance to power sector. As at 31.03.2018, the percentage of Gross NPAs to total loan assets stands at 9.57% (Previous year 12.50%).

(Q) Movement of NPAs in respect of Loan Assets

(₹ In crore)

Sl. No.	Description	Year ended 31.03.2018	Year ended 31.03.2017
(i)	Net NPAs to Net Advances (%)	7.55	10.55
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	30,702.21	7,519.04
	(b) Additions during the year	15,477.99	24,573.14
	(c) Reductions during the year	19,477.53	1,389.97
	(d) Closing balance	26,702.67	30,702.21
(iii)	Movement of Net NPAs		
	(a) Opening balance	25,345.96	6,061.02
	(b) Additions during the year	12,451.96	20,536.64
	(c) Reductions during the year	17,197.85	1,251.70
	(d) Closing balance	20,600.07	25,345.96
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	5,356.25	1458.02
	(b) Provisions made during the year	3,026.02	4,036.50
	(c) Write-off / write-back of excess provisions	2,279.67	138.27
	(d) Closing balance	6,102.60	5,356.25

(R) Company does not have any Overseas Assets in the form of Joint Ventures and Subsidiaries.

(S) Reference may be made to Note Part C - 7(A)(b) for list of Off-balance Sheet SPVs sponsored by the Company.

(T) Customer Complaints for FY 2017-18

Sl. No.	Description	Number of complaints
(a)	No. of complaints pending at the beginning of the year	Nil
(b)	No. of complaints received during the year	Nil
(c)	No. of complaints redressed during the year	Nil
(d)	No. of complaints pending at the end of the year	Nil



32. Disclosure so far as applicable in line with Paragraph 18 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in Crore)

Particulars		Amount as on 31.03.2018		Amount as on 31.03.2017			
Liabilities Side		outstanding	overdue	outstanding	overdue		
(1)	Loans and Advances availed by the Company inclusive of interest accrued thereon but not paid:						
(a)	Debentures : Secured	20,401.58	0.00	20,109.87	0.00		
	: Unsecured	176,033.95	0.00	170,800.80	0.00		
(b)	(i) Rupee Term Loans	10,525.00	0.00	2,000.00	0.00		
	(ii) Foreign Currency Loans	15,653.08	0.00	7,276.58	0.00		
(c)	Commercial Paper	6,924.74	0.00	-	0.00		
(d)	Short Term Borrowings	-	0.00	2,400.79	0.00		
Assets Side		Principal Amount Outstanding as on 31.03.2018		Principal Amount Outstanding as on 31.03.2017			
(2)	Break-up of Loans and Advances including bills receivables (other than those included in (3) below) (Net of Provisions) :						
(a)	Secured	183,404.95		168,251.79			
(b)	Unsecured	89,590.21		72,039.40			
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities (Net of Provisions) :						
(i)	Lease assets including lease rentals under sundry debtors:						
(a)	Financial lease	174.89		194.32			
(4)	Break-up of Investments (Net of Provisions)						
Current Investments							
1.	Quoted						
(i)	Shares						
(a)	Equity	1,070.76		1,071.02			
2.	Unquoted						
(i)	Shares						
(a)	Equity	-		254.51			
Long Term Investments							
1.	Quoted						
(i)	Shares						
(a)	Equity	12.00		12.00			
(ii)	Debentures and Bonds	800.00		1,800.00			
2.	Unquoted						
(i)	Shares						
(a)	Equity	247.45		247.45			
(b)	Preference	200.00		200.00			
(ii)	Units of SIB Fund	6.15		6.15			
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: (as per applicable provisioning norms)						
Category		Amount Net of Provisions (as on 31.03.2018)			Amount Net of Provisions (as on 31.03.2017)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1.	Related Parties						
(a)	Subsidiaries	0.00	557.63	557.63	0.00	496.18	496.18
(b)	Other related parties	0.03	0.49	0.52	0.04	0.46	0.50
2.	Other than related parties						
		183,579.81	89,032.09	272,611.90	168,446.07	71,542.76	239,988.83
	Total	183,579.84	89,590.21	273,170.05	168,446.11	72,039.40	240,485.51
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)						
Category		As on 31.03.2018		As on 31.03.2017			
		Market value / Break up⁵ or fair value or NAV	Book Value (Net of Provisions)	Market value / Break up⁵ or fair value or NAV	Book Value (Net of Provisions)		
1.	Related Parties						
(a)	Subsidiaries	416.55	300.95	437.91	300.95		
(b)	Companies in the same group	166.78	146.50	183.86	146.50		
2.	Other than related parties						
(i)	Quoted	2,030.92	1,882.76	3,170.10	2,883.02		
(ii)	Unquoted	342.70	6.15	331.47	260.66		
	Total	2,956.95	2,336.36	4,123.34	3,591.13		
(7)	Other Information						
Particulars		Amount (as on 31.03.2018)		Amount (as on 31.03.2017)			
(i)	Gross Non-performing Assets						
(a)	Other than related parties	26,705.18		30,718.61			
(ii)	Net Non-performing Assets						
(a)	Other than related parties	20,600.07		25,345.95			
(iii)	Assets acquired in satisfaction of debt (Gross value of investment)						
		341.10		341.10			

⁵In case of negative break-up value, Nil value has been considered.

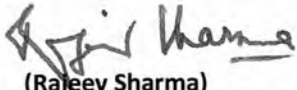


33. The identification of Business segment is done in accordance with the system adopted for internal financial reporting to the board of directors and management structure. The company's primary business is to provide finance for power sector which in the context of Accounting Standard 17 is considered the only primary business segment. Hence, no segmental reporting is required.
34. Figures have been rounded off to the nearest crore of rupees with two decimals.
35. Figures for the previous period have been regrouped / reclassified wherever necessary, to confirm to current period classification.

For and on behalf of the Board of Directors


(Manohar Balwani)
Company Secretary


(N.B. Gupta)
Director (Finance)
DIN – 00530741


(Rajeev Sharma)
Chairman & Managing Director
DIN – 00973413

Signed in terms of our report of even date

For M. K. Aggarwal & Co.
Chartered Accountants
Firm's Regn. No. 01411N


(CA M. K. AGGARWAL)
Partner
Membership No - 014956



For Gandhi Minocha & Co.
Chartered Accountants
Firm's Regn. No. 000458N


(CA BHUPINDER SINGH)
Partner
Membership No - 092867



Place: New Delhi
Date: 25.05.2018

NON-BANKING FINANCIAL COMPANIES AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2018

To
Board of Directors
Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane,
Connaught Place, New Delhi-110001

Dear Sir,

As required by the "Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India, on the matters specified in Chapter - II of the said Directions to the extent applicable to the Corporation, we report that:



1. The Company is engaged in the business of non-banking financial institution, having valid certificate of registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No. is B- 14.00004 dated 28-07-2010 in lieu of earlier certificate no. 14.00004 dated 10.02.1998. Further, the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2018.
2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
3. The company is registered as Non-deposit accepting Infrastructure Finance Company with RBI. The Board of Directors has not passed any resolution during the year 2017-18 for non-acceptance of any public Deposit. Further, Board of Directors has passed resolution in meeting held on 25.05.2018 for non-acceptance of any public deposit.
4. Company has not accepted any public deposits during the year 2017-18.
5. The Company has complied with the Prudential norms relating to, income recognition, accounting standards, asset classification and provisioning for Bad and Doubtful debts in terms of Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, in so far as the same are applicable to the Company.
6. RBI vide notification dated 15.03.2018 has brought Government owned NBFCs under the purview of Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016. As per information and explanation given to us, the statement of capital funds, risk assets / exposures and risk asset ratio (NBS-7 return) has been filed by company for the quarter ended 31.12.2017 and 31.03.2018 based on financial results drawn on the date of filing with in the stipulated period including CRAR in compliance with RBI norms. Further, CRAR based on audited financial statements for the year ended 31.03.2018 has been correctly arrived at and it is in compliance with minimum prescribed CRAR by RBI.

FOR M.K. AGGARWAL & CO.

Chartered Accountants

Firm's Registration No.: 001411N

by the hand of

CA M.K. AGGARWAL

Partner

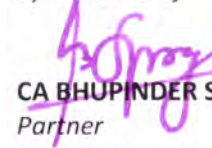

Membership No.014956

FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

by the hand of

CA BHUPINDER SINGH

Partner

Membership No.092867

Date: 25.05.2018

Place: New Delhi

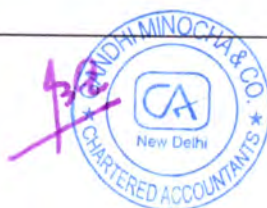
M.K. Aggarwal & Co.
Chartered Accountants,
30, Nishant Kunj, Pitam Pura,
New Delhi – 110034
Ph. No. 011 47517171
E-mail: mka@mkac.in

Gandhi Minocha & Co.
Chartered Accountants,
B-6, Shakti Nagar Extension
New Delhi – 110052
Ph. No.011 27303078
E-mail: gandhica@yahoo.com

Statutory Auditors' Certificate (SAC)

We have examined the books of accounts and other records of POWER FINANCE CORPORATION LTD for the Financial Year ending March 31, 2018. On the basis of the information submitted to us, we certify the following:

Sl. No.	Particulars	Details
1	Name of the company	POWER FINANCE CORPORATION LTD
2	Certificate of Registration No.	B-14.00004
3	Registered office Address	1, Urjanidhi, Barakhamba Lane, Connaught Place, New Delhi - 110001
4	Corporate office Address	1, Urjanidhi, Barakhamba Lane, Connaught Place, New Delhi - 110001
5	The company has been classified by RBI as : (Investment Company / Loan Company / AFC / NBFC- MFI / NBFC- Factor / IFC / IDF- NBFC)	IFC
6	Net Owned Fund (in ₹ Crore) (Calculation of the same is given in the Annexure)	36476.79
7	Total Assets (net) (in ₹ Crore)	286465.17
8	Asset-Income pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999)	
	a) % of Financial Assets* to Total Assets	99.59%
	b) % of Financial Income** to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)	99.02%
9	Whether the company was holding any Public Deposits, as on March 31, 2018? If Yes, the amount in ₹ Crore	No
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in terms of Sec 45-IC of the RBI Act, 1934)	N/A
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	No
12	If the company is classified as an NBFC- Factor;	
	a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	N/A



13	If the company is classified as an NBFC- MFI; % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)	N/A
14	If the company is classified as an AFC; a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	N/A
15	If the company is classified as an NBFC-IFC: % of Infrastructure Loans to Total Assets (Gross)	91.51%
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI? (please refer to Master Directions issued by DNBR i) Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions ; and ii) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions.)	No

*Financial Assets includes Net loan assets, Other assets (excl. prepaid expenses and advance tax),
Investments and Cash & Bank Balances (excl. FDs).

**Financial Income includes income on Financial Assets mentioned above.

In terms of Chapter II of the Master Direction- Non Banking financial Companies Auditor's Report
(Reserve bank) Directions, 2016, a separate report to the Board of Directors of the company has been
prepared.

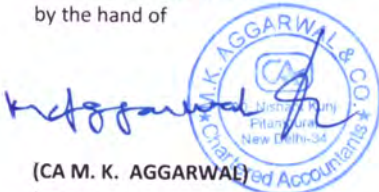
I have read and understood Chapter III of the Master Direction- Non Banking financial Companies
Auditor's Report (Reserve bank) Directions, 2016.

For M.K. Aggarwal & Co.

Chartered Accountants

Firm Registration No.: 01411N

by the hand of



(CA M. K. AGGARWAL)

Partner

Membership No - 014956

For Gandhi Minocha & Co.

Chartered Accountants

Firm Regn. No.: 000458N

by the hand of



(CA BHUPINDER SINGH)

Partner

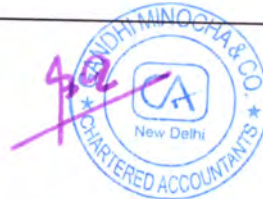
Membership No - 092867

Place : New Delhi

Date : 25.05.2018

Annexure

Sl. No.	Capital Funds - Tier I	Amount (₹ in crore)
1	Paid up Equity Capital	
2	Pref. shares to be compulsorily converted into equity	2,640.08
3	Free Reserves:	0.00
	a) General Reserve	
	b) Share Premium	6,438.68
	c) Capital Reserves	2,776.54
	d) Debenture Redemption Reserve	0.00
	e) Capital Redemption Reserve	1,726.82
	f) Credit Balance in P&L Account	0.00
	g) Other free reserves (Reserve created & maintained u/s 36(1)(viii) of I.T. Act, Interest Differential Reserve - KFW Loan)	6,990.53
4	Special Reserves	16,553.68
	Total of 1 to 4	0.00
5	Less:	37,126.33
	i) Debit balance of Foreign Currency Monetary Item Translation Difference A/c	
	ii) Deferred Revenue Expenditure	648.65
	iii) Deferred Tax Assets (Net)	0.00
	iv) Other intangible Assets	0.00
	Owned Fund	0.89
6	Investment in shares of	36,476.79
	(i) Companies in the same group	
	(ii) Subsidiaries	146.50
	(iii) Wholly Owned Subsidiaries	0.00
	(iv) Other NBFCs	300.95
		0.50
7	Book value of debentures, bonds, outstanding loans and advances, bills purchased and is counted (including H.P. and lease finance) made to, and deposits with	
	(i) Companies in the same group	0.00
	(ii) Subsidiaries	0.00
	(iii) Wholly Owned Subsidiaries	740.31
8	Total of 6 and 7	1,188.26
9	Amount in item 8 in excess of 10% of Owned Fund	0.00
	Net Owned Fund	36,476.79



M.K. Aggarwal & Co.
Chartered Accountants,
30, Nishant Kunj, Pitam Pura,
New Delhi – 110034
Ph. No. 011 47517171
E-mail: mka@mkac.in

Gandhi Minocha & Co.
Chartered Accountants,
B-6, Shakti Nagar Extension,
New Delhi – 110 052
Ph. No.011 27303078
E-mail: gandhica@yahoo.com

Independent Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015

To

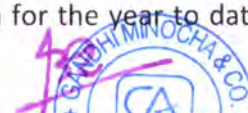
Board of Directors of Power Finance Corporation Limited

We have audited the accompanying Standalone Financial Results of Power Finance Corporation Limited (the 'Company') for the year ended March 31, 2018 (the 'Financial Results'), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015. These Financial Results, which are the responsibility of the Company's management and approved by the Board of Directors, have been prepared on the basis of related financial statements which is in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these Financial Results.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Financial Results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Financial Results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 and regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015; and
- (ii) give a true and fair view of the net profit and other financial information for the year to date results for the period from April 1, 2017 to March 31, 2018.



The Financial Results include the results for the quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subject to limited reviewed by us in terms of our report dated February 12, 2018.

FOR M.K. AGGARWAL & CO.

Chartered Accountants

Firm's Registration No.: 01411N

by the hand of



CA M.K. AGGARWAL

Partner

Membership No.014956



FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

by the hand of



CA BHUPINDER SINGH

Partner

Membership No.092867



Date: 25.05.2018

Place: New Delhi