



## PFC RAISES USD 400 MILLION THROUGH ITS MAIDEN GREEN BOND ISSUE

PFC, a Navratna, Govt. owned NBFC, raised US\$ 400 million through its maiden Green Bond issuance. The bond issuance saw diverse participation from high quality investors across Asia and Europe. PFC has successfully priced this 10 year Reg S Green Bond at a fixed rate coupon of 3.75%. The pricing of this bond saw the tightest ever spread of 157.5 bps over 10 Year US Treasury by any Indian issuer for their inaugural 10 year transaction. The bond is Climate Bonds Initiative certified and is being listed on London Stock Exchange and Singapore Stock Exchange.

PFC during last 3 years saw significant jump in its renewable business with loan disbursements growing by 5 times. The Green Bond therefore is a significant milestone for PFC in line with its objectives to support renewable and sustainable energy led expansion. The funds raised will promote renewable energy and aid in achieving Govt. of India target of 175GW of renewable capacity by 2022.

PFC is the principal financier of Indian power sector funding the entire value chain of Indian power sector. This green bond offering aids PFC's objective to diversify its source of funding. Earlier, PFC added another funding source to its borrowing portfolio, when Ministry of Finance allowed PFC to raise funds through 54EC Capital Gain Bonds. Capital Gain Bonds were launched by PFC in July,2017 at a coupon of 5.25% and the issuance is on tap throughout the year. Till date amount of more than Rs 100 crores has been mobilized under such Bonds. Additionally, PFC has also tapped the foreign currency syndicated loan market recently for US\$ 300 million.

Shri Rajeev Sharma, CMD, PFC said, "Diversifying our funding sources remains a core component of PFC's fund raising strategy. This bond offering is one of the many issuances to come and PFC would look to regularly tap the offshore markets to diversify the borrowing portfolio and support its loan growth going forward".