

## SUMMARY TERM SHEET

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| <b>Security Name</b>        | PFC Capital Gain Tax Exemption Bonds – Series VI   |
| <b>Issuer</b>               | Power Finance Corporation Limited  |
| <b>Type of Instrument</b>   | Secured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures having benefits under Section 54EC of Income Tax Act, 1961   |
| <b>Nature of Instrument</b> | Secured  |
| <b>Seniority</b>            | Senior   |
| <b>Mode of Issue</b>        | Private placement basis  |
| <b>Eligible investors</b>   | <ol style="list-style-type: none"> <li>1. Individuals</li> <li>2. Hindu Undivided Families (HUF)</li> <li>3. Partnership firm</li> <li>4. Insurance Companies</li> <li>5. Companies and Body Corporates</li> <li>6. Provident Funds, Superannuation Funds and Gratuity Funds</li> <li>7. Banks</li> <li>8. Mutual Funds</li> <li>9. Financial Institutions (FIs)</li> <li>10. Foreign Portfolio Investors (Subject to existing regulations)</li> <li>11. Regional Rural Banks</li> <li>12. NRIs/other foreign eligible investor investing out of NRO A/c on non-repatriable basis</li> <li>13. Co-operative Banks</li> <li>14. Limited liability Partnership</li> </ol> <p>However, out of the aforesaid class of investors eligible to invest, this Information Memorandum is intended solely for the use of the person to whom it has been sent by PFC for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the Bonds offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Information Memorandum from PFC).</p> |
| <b>Listing</b>              | The Bonds will not be listed on any stock exchange due to non-transferability during the tenure of Bonds.  |
| <b>Rating</b>               | 'AAA/Stable' by CRISIL, 'AAA (Stable)' by ICRA, & 'AAA/Stable' by CARE   |

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| <b>Issue size</b>   | ₹ 500 crore + Green Shoe option to retain oversubscription  |
| <b>Object of the Issue</b>                                    | To augment resources of PFC for meeting fund requirement.   |
| <b>Details of utilization of the proceeds</b>                 | The funds raised through private placement are not meant for any specific project as such and therefore the proceeds of this issue after meeting all expenses of the Issue shall be used for meeting the object of the Issue. |
| <b>Tenor</b>  | 5 years from the deemed date of allotment   |
| <b>Coupon Rate</b>  | 5.00 % p.a.   |
| <b>Coupon Payment frequency</b>                               | Annual  |
| <b>Coupon payment dates:-</b>                                 | Every year on 31 <sup>st</sup> July till redemption and balance along with redemption.  |
| <b>Coupon type</b>  | Fixed   |
| <b>Day count basis</b>  | Actual/Actual   |
| <b>Date of Redemption</b>                                     | At the end of 5 years from the Deemed Date of Allotment.  |
| <b>Redemption amount</b>                                      | At par (Rs 10,000/- per Bond)   |
| <b>Redemption Premium/Discount</b>                            | Not applicable  |
| <b>Face Value</b>   | Rs. 10,000 (Rupees Ten Thousand only) per bond  |
| <b>Issue Price</b>  | At par (Rs 10,000/- per bond)   |
| <b>Minimum application size and in multiple of thereafter</b> | Application must be for a minimum size of Rs 20,000/- (2 bonds) and then in multiple of Rs. 10,000/- (1 bond) thereafter  |
| <b>Maximum application size</b>                               | 500 bonds of Rs 10,000/- each (Rs. 50,00,000/-) during this financial year.   |
| <b>Discount / Premium at which security is issued</b>         | Not applicable  |
| <b>Put Option</b>   | Not applicable  |
| <b>Call Option</b>  | Not applicable  |

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| <b>Issue Opening &amp; Closing Date</b> | <p>Issue Opening Date: April 1, 2022</p> <p>Issue Closing Date: March 31, 2023 (at the close of the banking hours) or at a date / time as may be decided by PFC in its absolute discretion</p> <p>This Information Memorandum shall be valid for above period</p>   |
| <b>Deemed Date of allotment</b>         | Last day of each month in which the subscription money is received and credited to PFC Capital Gain Bonds Collection Account  |
| <b>Transferability</b>                  | Non-transferable, Non-Marketable, Non-negotiable and cannot be offered as a security for any loan or advance  |
| <b>Issuance mode of instrument</b>      | In demat / physical mode.   |
| <b>Depository</b>                       | National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”)  |
| <b>Business Days/Working Days</b>       | “Business Days”/ “Working Days” shall be all days on which money market is functioning in Mumbai. However, for the purpose of credit of Demat A/c, Working Days shall be all days on which NSDL/CDSL are open for business.   |
| <b>Effect of holidays (Note 1)</b>      | <p>If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon Payment Date.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately succeeding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</p> <p>In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.</p> |
| <b>Record Date</b>                      | 15 calendar days prior to actual interest/principal payment date  |
| <b>Security</b>                         | <p>The bonds proposed to be issued are secured by way of first pari-passu charge by way of hypothecation of present &amp; future receivables of PFC (<i>excluding receivables on which specific charge has already been created</i>) as may be agreed between the Company and the debenture trustee, pursuant to the terms of the Debenture Trust Deed excluding the Receivables on which specific charge has already been created by the Company.</p> <p>Further, the Company undertakes that it has obtained consent from existing creditors to create first pari passu charge on the said assets.</p>  |

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| <b>Registrar &amp; Transfer Agent</b> | M/s KFin Technologies Pvt. Ltd.   |
| <b>Mode of Subscription</b>           | Applicants may make remittance of application money through electronic mode or cheque / draft drawn in favour of 'PFC Capital Gain Bonds'.  |
| <b>Trustees</b>                       | Beacon Trusteeship Ltd.   |
| <b>Governing Law and Jurisdiction</b> | The Bonds shall be construed to be governed in accordance with Indian Law. The Competent Courts in New Delhi alone shall have jurisdiction in connection with any matter arising out of or under these precincts. |

**Notes:**

1. Company reserves its sole & absolute right to modify (pre-pone/post pone) the issue opening/closing/pay-in-date(s) without giving any reasons or prior notice. In such case, Investors/Arrangers shall be intimated about the revised time schedule by Company. Company also reserves the right to keep multiple deemed date of allotment at its sole & absolute discretion without any notice. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Company.
2. PFC reserves the right to revise the coupon rate and/or close the issue by giving notice on its website. The investors are advised to consult PFC/Arrangers, before depositing the application with bank. It may be noted that rate of interest on the bond shall be as applicable on the date of credit of application money in PFC collection account. The applicable rate where application money is credited in PFC's collection account on 01.04.2021 is 5% p.a.. Change in interest rate, if any, for application money credited in PFC's collection account thereafter shall be published on websites of PFC as well as of Registrar to the issue.
3. All applications submitted but rejected by PFC would be returned by PFC to the applicant/ collection banker, without any Interest.
4. Application for minimum Rs. 20,000/- (in multiples of Rs. 10,000/- thereafter) will be accepted, any amount received in fraction will be refunded to the investor without interest.