

Dass Gupta & Associates
Chartered Accountants,
B-4, Gulmohar Park,
New Delhi – 110049

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Chartered Accountants,
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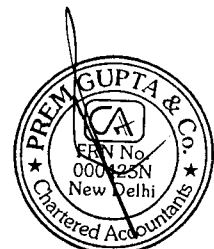
Independent Auditor's Review Report on Unaudited Standalone Financial Results for the Quarter/Half Year Ended 30th September 2021 of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Power Finance Corporation Limited (the "Company") for the quarter/half year ended 30th September 2021 together with the notes thereon (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors of the Company, in its meeting held on 11th November 2021, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulations 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.

Other Matters

5. The Company has continued to provide expected credit loss in respect of loan assets and undisbursed letter of comfort as required under Ind AS 109, on the basis of document provided by an independent expert appointed by the Company. Since the calculation parameters require certain technical and professional expertise, we have relied upon the expected credit loss calculation so provided by the said independent expert.



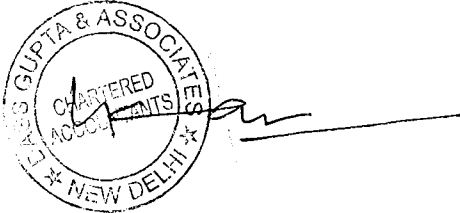
6. Refer Note. 7 of the unaudited standalone financial results regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there is no reason to believe that the pandemic will have any significant impact on the ability of the Company to continue as a going concern.

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

FOR DASS GUPTA & ASSOCIATES

Chartered Accountants

Firm's Registration No.: 000112N



CA NARESH KUMAR

Partner

Membership No. 082069

UDIN: 21082069AAAAABZ3427

FOR PREM GUPTA & CO.

Chartered Accountants

Firm's Registration No.: 000425N



CA PREM BEHARI GUPTA

Partner

Membership No. 080245

UDIN: 21080245AAAAAQ2558

Date: 11th November, 2021

Place: New Delhi

Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi
Statement of Unaudited Standalone Financial Results for the Quarter and Half Year ended 30.09.2021

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	Revenue from Operations						
(i)	Interest Income	9,202.40	9,263.89	9,193.91	18,466.29	17,942.92	36,145.76
(ii)	Dividend Income	403.95	-	6.60	403.95	6.60	1,204.21
(iii)	Fees and Commission Income	116.58	61.72	30.49	178.30	39.15	394.90
I.	Total Revenue from Operations	9,722.93	9,325.61	9,231.00	19,048.54	17,988.67	37,744.87
II.	Other Income	36.29	0.44	0.95	36.73	17.70	21.70
III.	Total Income (I+II)	9,759.22	9,326.05	9,231.95	19,085.27	18,006.37	37,766.57
	Expenses						
(i)	Finance Costs	5,672.41	5,739.31	5,829.42	11,411.72	11,505.60	23,194.49
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	60.24	367.28	(428.07)	427.52	(195.43)	(164.06)
(iii)	Fees and Commission Expense	2.15	2.74	3.27	4.89	6.25	14.28
(iv)	Net Loss / (Gain) on Fair Value changes	102.72	(106.23)	304.80	(3.51)	419.33	518.95
(v)	Impairment on Financial Instruments	456.27	450.54	953.17	906.81	1,306.21	3,496.40
(vi)	Employee Benefit Expenses	53.03	48.51	48.07	101.54	97.08	194.62
(vii)	Depreciation, Amortisation and Impairment	3.59	2.80	2.40	6.39	4.34	11.17
(viii)	Corporate Social Responsibility Expenses	5.16	44.83	5.28	49.99	210.34	222.61
(ix)	Other Expenses	20.22	16.73	18.06	36.95	30.75	70.80
IV.	Total Expenses	6,375.79	6,566.51	6,736.40	12,942.30	13,384.47	27,559.26
V.	Profit/(Loss) Before Exceptional Items and Tax (III-IV)	3,383.43	2,759.54	2,495.55	6,142.97	4,621.90	10,207.31
VI.	Exceptional Items	-	-	-	-	-	-
VII.	Profit/(Loss) Before Tax (V-VI)	3,383.43	2,759.54	2,495.55	6,142.97	4,621.90	10,207.31
	Tax Expense:						
	(1) Current Tax:						
	- Current Year	711.54	514.72	598.28	1,226.26	1,035.48	2,613.09
	- Earlier Years	(24.23)	-	-	(24.23)	43.52	178.94
	(2) Deferred Tax	(62.53)	(28.77)	(187.78)	(91.30)	(241.71)	(1,028.73)
VIII.	Total Tax Expense	624.78	485.95	410.50	1,110.73	837.29	1,763.30
IX.	Profit/(Loss) for the period from Continuing Operations (VII-VIII)	2,758.65	2,273.59	2,085.05	5,032.24	3,784.61	8,444.01
X.	Profit/(Loss) from Discontinued Operations (After Tax)	-	-	-	-	-	-
XI.	Profit/(Loss) for the period (from continuing and discontinued operations) (IX+X)	2,758.65	2,273.59	2,085.05	5,032.24	3,784.61	8,444.01
XII.	Other Comprehensive Income						
(A)	(i) Items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	(1.07)	(1.06)	(1.28)	(2.13)	(2.55)	(4.26)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	127.46	116.58	(38.18)	244.04	(31.98)	137.25
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
	- Re-measurement of Defined Benefit Plans	0.27	0.27	0.26	0.54	0.52	1.13
	Sub-Total (A)	126.66	115.79	(39.20)	242.45	(34.01)	134.12
(B)	(i) Items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	20.24	51.60	26.57	71.84	(57.95)	(27.64)
	- Cost of Hedging Reserve	8.53	(50.38)	(22.33)	(41.85)	(15.86)	(31.06)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	(5.09)	(12.99)	(6.68)	(18.08)	14.59	6.96
	- Cost of Hedging Reserve	(2.15)	12.68	5.62	10.53	3.99	7.82
	Sub-Total (B)	21.53	0.91	3.18	22.44	(55.23)	(43.92)
	Other Comprehensive Income (A+B)	148.19	116.70	(36.02)	264.89	(89.24)	90.20
XIII.	Total Comprehensive Income for the period (XI+XII)	2,906.84	2,390.29	2,049.03	5,297.13	3,695.37	8,534.21
XIV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	2,640.08	2,640.08	2,640.08	2,640.08	2,640.08	2,640.08
XV.	Other Equity (As per Audited Balance Sheet as at 31st March)	NA	NA	NA	NA	NA	49,753.04
XVI.	Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:						
	(1) For continuing operations (in ₹)	10.45	8.61	7.90	19.06	14.34	31.98
	(2) For discontinued operations (in ₹)	-	-	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	10.45	8.61	7.90	19.06	14.34	31.98

* EPS for the quarters & Half years are not annualised.

See accompanying Notes to the Standalone Financial Results.



Notes to the Standalone Financial Results:**1. Standalone Statement of Assets and Liabilities****(₹ in crore)**

Sr. No.	Particulars	As at	As at
		30.09.2021	31.03.2021
		(Un-Audited)	(Audited)
	ASSETS		
1	Financial Assets		
(a)	Cash and Cash Equivalents	1,534.43	3,717.62
(b)	Bank Balance other than included in Cash and Cash Equivalents	98.22	1,044.58
(c)	Derivative Financial Instruments	1,870.55	1,251.45
(d)	Loans	3,61,424.57	3,60,124.77
(e)	Investments	16,210.87	15,973.50
(f)	Other Financial Assets	5,550.01	5,336.77
	Total Financial Assets (1)	3,86,688.65	3,87,448.69
2	Non- Financial Assets		
(a)	Current Tax Assets (Net)	260.64	260.64
(b)	Deferred Tax Assets (Net)	4,081.05	3,996.76
(c)	Property, Plant and Equipment	39.32	37.21
(d)	Intangible Assets	0.18	0.24
(e)	Right-of-use Assets	35.07	35.30
(f)	Other Non-Financial Assets	406.83	305.23
	Total Non- Financial Assets (2)	4,823.09	4,635.38
	Total Assets (1+2)	3,91,511.74	3,92,084.07
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	Financial Liabilities		
(a)	Derivative Financial Instruments	325.08	494.04
(b)	Debt Securities	2,35,453.87	2,42,811.54
(c)	Borrowings (other than Debt Securities)	83,043.93	80,837.60
(d)	Subordinated Liabilities	9,671.27	9,310.20
(e)	Other Financial Liabilities	5,789.45	5,828.05
	Total Financial Liabilities (1)	3,34,283.60	3,39,281.43
2	Non- Financial Liabilities		
(a)	Current Tax Liabilities (Net)	224.20	43.24
(b)	Provisions	146.82	155.15
(c)	Other Non-Financial Liabilities	214.12	211.13
	Total Non- Financial Liabilities (2)	585.14	409.52
	Total Liabilities (1+2)	3,34,868.74	3,39,690.95
3	Equity		
(a)	Equity Share Capital	2,640.08	2,640.08
(b)	Other Equity	54,002.92	49,753.04
	Total Equity (3)	56,643.00	52,393.12
	Total Liabilities and Equity (1+2+3)	3,91,511.74	3,92,084.07

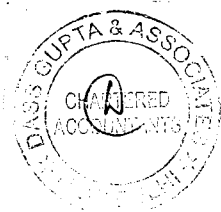


2. Standalone Statement of Cash Flows for the Half Year ended 30.09.2021

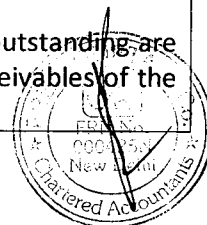
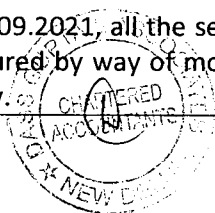
(₹ in crore)

Sr. No.	Description	Half Year ended 30.09.2021		Half Year Ended 30.09.2020	
I.	Cash Flow from Operating Activities :				
	Profit before Tax	6,142.97		4,621.90	
	Adjustments for:				
	Loss on derecognition of Property, Plant and Equipment (net)	1.97		0.70	
	Depreciation and Amortisation	6.39		4.34	
	Interest expense on Zero Coupon Bonds and Commercial Papers	65.83		(76.03)	
	Unrealised Foreign Exchange Translation Loss / (Gain)	501.89		253.05	
	Net Change in Fair Value	(3.51)		419.33	
	Impact of Effective Interest Rate on Loans	1.63		2.66	
	Impairment on Financial Instruments	906.81		1,306.21	
	Interest on Interest Subsidy Fund	0.75		0.71	
	Provision for Retirement Benefits etc.	27.35		(0.18)	
	Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	47.60		95.68	
	Interest on Income Tax Refund	-		(9.67)	
	Gain on cessation of joint control in joint venture	(32.66)		-	
	Interest Accrued but not due on investments	(6.46)		(49.38)	
	Operating profit before Working Capital Changes:	7,660.56		6,569.32	
	Increase / Decrease :				
	Loans (Net)	(2,206.74)		(27,425.33)	
	Other Financial and Non-Financial Assets	631.50		(913.23)	
	Derivative	(761.10)		(1.32)	
	Other Financial & Non-Financial Liabilities and Provisions	142.27		1,459.20	
	Cash Flow before Exceptional Items	5,466.49		(20,311.36)	
	Exceptional Items	-		-	
	Cash Flow from Operations Before Tax	5,466.49		(20,311.36)	
	Income Tax paid	(1,021.07)		(1,029.02)	
	Income Tax Refund	-		294.12	
	Net Cash flow from Operating Activities		4,445.42		(21,046.26)
II.	Cash Flow From Investing Activities :				
	Proceeds from disposal of Property, Plant and Equipment	0.07		0.11	
	Purchase of Property, Plant and Equipment	(10.26)		(4.83)	
	Increase / Decrease in Other Investments	52.32		9.25	
	Net Cash Inflow from Investing Activities		42.13		4.53
III.	Cash Flow From Financing Activities :				
	Raising of Bonds (including premium) (Net of Redemptions)	(6,960.17)		10,291.69	
	Raising of Long Term Loans (Net of Repayments)	3,267.50		8,971.00	
	Raising of Foreign Currency Loans (Net of Repayments)	1,504.54		(1,738.86)	
	Raising of Commercial paper (Net of Repayments)	(3,120.00)		3,120.00	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	(185.02)		524.42	
	Unclaimed Bonds (Net)	(82.52)		(0.95)	
	Unclaimed Dividend (Net)	26.96		(0.28)	
	Payment of Interim Dividend	(1,122.03)		-	
	Net Cash in-flow from Financing Activities		(6,670.74)		21,167.02
	Net Increase / Decrease in Cash and Cash Equivalents		(2,183.19)		125.29
	Add : Cash and Cash Equivalents at beginning of the financial year		3,717.62		182.52
	Cash and Cash Equivalents at the end of the period		1,534.43		307.81
	Details of Cash and Cash Equivalents at the end of the period:				
	i) Balances with Banks (of the nature of cash and cash equivalents)				
	In current accounts	231.07		284.12	
	In Term Deposit Accounts	1,303.36	1,534.43	23.69	307.81
	ii) Cheques, Drafts on hand including postage and Imprest		0.00		0.00
	Total Cash and Cash Equivalents at the end of the period		1,534.43		307.81

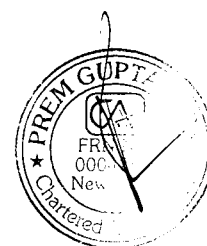
The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.



3	The unaudited standalone financial results of the Company have been reviewed & recommended by Audit Committee and subsequently approved & taken on record by Board of Directors of the Company in their respective meetings held on 11.11.2021. The same have been limited reviewed by Joint Statutory Auditors of the Company i.e. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Co., Chartered Accountants in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.																
4	The unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.																
5	<p>Detail of credit impaired loans and impairment loss allowance thereon (including on commitments) maintained by the Company as per Ind AS 109 are as under.</p> <p style="text-align: right;">(₹ in crore)</p> <table border="1" data-bbox="180 817 1487 1008"> <thead> <tr> <th>S. No.</th> <th>Particulars</th> <th>As on 30.09.2021</th> <th>As on 31.03.2021</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td>Credit Impaired loans</td> <td>21,063.33</td> <td>21,150.16</td> </tr> <tr> <td>b)</td> <td>Impairment Loss Allowance Maintained</td> <td>13,910.07</td> <td>13,416.36</td> </tr> <tr> <td>c)</td> <td>Impairment Loss Allowance Coverage (%) (b/a)</td> <td>66.04%</td> <td>63.43%</td> </tr> </tbody> </table>	S. No.	Particulars	As on 30.09.2021	As on 31.03.2021	a)	Credit Impaired loans	21,063.33	21,150.16	b)	Impairment Loss Allowance Maintained	13,910.07	13,416.36	c)	Impairment Loss Allowance Coverage (%) (b/a)	66.04%	63.43%
S. No.	Particulars	As on 30.09.2021	As on 31.03.2021														
a)	Credit Impaired loans	21,063.33	21,150.16														
b)	Impairment Loss Allowance Maintained	13,910.07	13,416.36														
c)	Impairment Loss Allowance Coverage (%) (b/a)	66.04%	63.43%														
6	As a matter of prudence, income on credit impaired loans is recognised as and when received and / or on accrual basis when expected realisation is higher than the loan amount outstanding.																
7	<p>During the quarter ended 30.09.2021, there has been a gradual decrease in Covid-19 cases. The second wave of Covid-19 pandemic in April-May 2021 led to reimposition of lockdown measures in various parts of the country. The second wave has started to subside from June 2021 onwards leading to gradual lifting of lockdown, resulting in significant improvement in economic activity.</p> <p>Company believes that considering its high credit worthiness and well-established relationship with lenders, it can mobilise funds from domestic & international markets and there will not be any significant impact of this pandemic in continuing the business operations, in maintaining its financial position and in its ability to continue as a going concern.</p> <p>The impact of this pandemic on the Company will, inter alia, continue to be dependent on future developments which are uncertain and any further actions by the Government and Regulatory bodies to contain its impact on the power sector and NBFCs. The Company shall also continue to closely monitor any material changes arising of future economic conditions and potential impact on its business.</p>																
8	The Board of Directors in their meeting held on 11.11.2021 declared a second interim dividend @ 25 % on the paid up equity share capital i.e. ₹ 2.50 per equity share of ₹ 10 each/- . The total interim dividend for the FY 2021-22 is ₹ 4.75 per equity share of ₹ 10 each/- .																
9	<p>The Company has been raising funds through various instruments including series of non-convertible bond issues. During the half year ended 30.09.2021, the Company has not defaulted in servicing of its borrowings.</p> <p>As at 30.09.2021, all the secured non-convertible debentures issued by the Company and outstanding are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company.</p>																



	Further, in respect of the listed secured non-convertible debentures, the Company is maintaining asset cover of 1.01 times required as per the terms of offer document / information memorandum.
10	In the context of reporting business / geographical segment as required by Ind AS 108 - "Operating Segments", the Company's operations comprise of mainly one business segment - lending to power sector entities. Hence, there is no reportable segment as per Ind AS 108.
11	Disclosure in compliance of Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended, is attached at Annexure A.
12	During the quarter ended 30.09.2021, pursuant to Board of Directors Resolution dated 30.08.2021, amendment in JV agreement was made in respect of Energy Efficiency Services Limited (EESL) amongst all the JV partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited vide Supplementary Agreement dated 01.09.2021. Due to the amendment, EESL ceases to be a jointly controlled entity under Ind AS framework for the Company w.e.f 01.09.2021. Necessary accounting treatment has been made and consequently total comprehensive income for the quarter/half year ended 30.09.2021 has increased by ₹ 32.80 crore.
13	As required under Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, disclosure of related party transactions on standalone basis for the half year ended 30.09.2021 is given at Annexure B.
14	Figures for the quarter ended 30.09.2021 & 30.09.2020 are the balancing figures between unaudited figures for the six months ended 30.09.2021 & 30.09.2020 and unaudited figures for the quarter ended 30.06.2021 & 30.06.2020 respectively.
15	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable.
<p style="text-align: center;"><i>R.S. Dhillon</i> R.S. Dhillon Chairman & Managing Director DIN – 00278074</p> <p>PLACE: NEW DELHI DATE: 11.11.2021</p>	

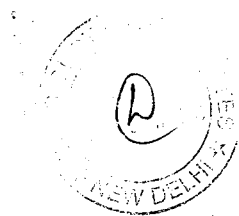


Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the half year ended 30.09.2021 on standalone basis:

Particulars	As at /For the period ended 30.09.2021
(i) Debt Equity Ratio (times)	5.65
(ii) Outstanding Redeemable Preference Shares	-
(iii) Net Worth (₹ in crore)	56,643.00
(iv) Net profit after tax (₹ in crore)	5,032.24
(v) Earnings per share (Not annualised) (in ₹)	19.06
(vi) Total Debt to Total Assets (times)	0.82
(vii) Operating Margin (%)	32.06
(vi) Net Profit Margin (%)	26.37
(viii) Other Sector Specific Ratios	
Gross Credit Impaired Assets Ratio (%)	5.67
Net Credit Impaired Assets Ratio (%)	1.92
CRAR (%)	21.76

Note:

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



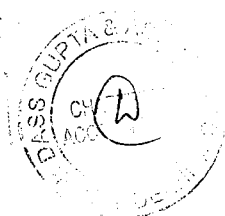
Annexure-B

Details of related party transactions as required under Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on standalone basis:

(₹ in crore)

Particulars	During half year ended 30.09.2021
Subsidiaries	
Repayment of Loans (including interest) by subsidiary – RECL	3,014.47
Advances (including interest) to subsidiary-PFCCL	0.61
Dividend received from subsidiaries – RECL	385.65
Directors' sitting fee received from RECL	0.06
Joint Venture	
Others #	0.09
Associates	
Interest income on advances to associates	8.07
Advances received from Associates	0.17
Interest expenses on advances from associates	1.38
Trusts/Funds under control of the Company	
Contributions made during the year	7.38
Subscription to bonds of the Company	2.60
Finance cost on bonds	0.29
Key managerial personnel	
(i) Short term employee benefits	1.70
(ii) Post-employment benefits	0.19
(iii) Other long-term benefits	0.01
Sub Total (i+ii+iii)	
Repayment/ Recovery of loans and advances	0.20
Directors' Sitting Fees	0.07
Finance cost on bonds	0.015
Redemption of bonds(net of subscription)	0.3
Others	
Dividend received – PTC India Limited	6.60

EESL ceases to be a joint venture w.e.f 01.09.2021, hence transactions pertaining to 01.04.2021 to 31.08.2021 have been disclosed.



Independent Auditor's Review Report on Unaudited Consolidated Financial Results for the Quarter and Half Year Ended 30th September 2021 of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

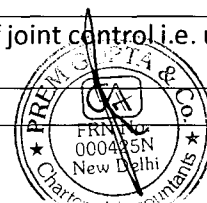
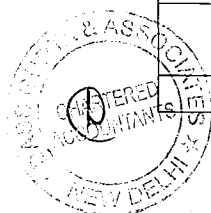
**To the Board of Director of
Power Finance Corporation Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Power Finance Corporation Limited (the 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group'), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates and joint venture for the quarter and half year ended 30th September 2021 together with the notes thereon (the 'Statement') attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors in its meeting held on 11th November 2021, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

Parent	
1.	Power Finance Corporation Limited
Subsidiaries#:	
1.	REC Limited
2.	PFC Consulting Limited
Joint Venture Entity:	
1.	Energy Efficiency Services Limited (till date of cessation of joint control i.e. up to 01.09.2021)
Associates:	



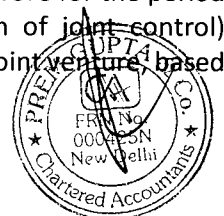
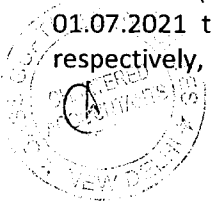
1.	Coastal Maharashtra Mega Power Limited
2.	Orissa Integrated Power Limited
3.	Coastal Karnataka Power Limited
4.	Coastal Tamil Nadu Power Limited
5.	Chhattisgarh Surguja Power Limited
6.	Deoghar Infra Limited
7.	Bihar Infrapower Limited
8.	Sakhigopal Integrated Power Company Limited
9.	Ghogarpalli Integrated Power Company Limited
10.	Tatiya Andhra Mega Power Limited
11.	Deoghar Mega Power Limited
12.	Cheyur Infra Limited
13.	Odisha Infrapower Limited
14.	Bihar Mega Power Limited
15.	Jharkhand Infrapower Limited

**Consolidated financial results considered for consolidation*

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the audit report of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.

Other Matters

6. We did not review the unaudited financial results of one subsidiary included in the unaudited consolidated financial results, whose financial results reflect total assets of ₹4,14,831.65 crore as at 30.09.2021 and total revenues of ₹ 9,931.47 crore and ₹ 19,571.45 crore, total net profit after tax of ₹ 2,692.27 crore and ₹ 4,960.93 crore and total comprehensive income (net of tax) of ₹ 2,681.57 crore and ₹ 5,009.50 crore for the quarter/half year ended 30th September 2021 respectively, and cash flows (net) of ₹ 4,629.64 crore for the half year ended 30th September 2021, as considered suitably in the unaudited consolidated financial results. These financial results have been reviewed by other auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above. The unaudited financial results of the subsidiary also include share of net profit after tax of ₹ (12.86) crore and ₹ (11.81) crore and total comprehensive income of ₹ (11.67) crore and ₹ (10.64) crore for the period 01.07.2021 to 01.09.2021 and year to date upto 01.09.2021 (i.e. date of cessation of joint control) respectively in respect of one joint venture (JV) which has not been reviewed. Since said JV is common JV in group accordingly these numbers are forming part of numbers mentioned in para 7 below.
7. The unaudited consolidated financial results includes the financial results of one other subsidiary which have not been reviewed, whose financial results reflect total asset of ₹ 195.85 crore as at 30.09.2021, total revenues of ₹ 10.26 crore and ₹ 32.64 crore, total net profit after tax of ₹ 2.60 crore and ₹ 15.21 crore and total comprehensive income of ₹ 2.60 crore and ₹ 15.21 crore for the quarter/half year ended 30th September 2021 respectively, and cash flows (net) of ₹ 40.01 crore for the half year ended 30th September 2021, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit after tax of ₹ (24.63) crore and ₹ (22.40) crore, total comprehensive income of ₹ (24.78) crore and ₹ (22.59) crore for the period 01.07.2021 to 01.09.2021 and year to date upto 01.09.2021 (i.e. date of cessation of joint control) respectively, as considered in the unaudited consolidated financial results, in respect of joint venture based



on their financial results which have not been reviewed. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

8. The Parent Company and its Subsidiary, REC Ltd., have continued to provide expected credit loss in respect of loan assets and undisbursed letter of comfort as required under Ind AS 109, on the basis of document provided by an independent expert appointed by the respective company. Since the calculation parameters require certain technical and professional expertise, we have relied upon the expected credit loss calculation so provided by the said independent expert(s).
9. Refer Note 10 of the unaudited consolidated financial results regarding the impact of COVID-19 pandemic on the group. Management is of the view there is no reason to believe that the pandemic will have any significant impact on the ability of the Group to continue as a going concern.

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

FOR DASS GUPTA & ASSOCIATES

Chartered Accountants

Firm's Registration No.: 000112N



CA NARESH KUMAR

Partner

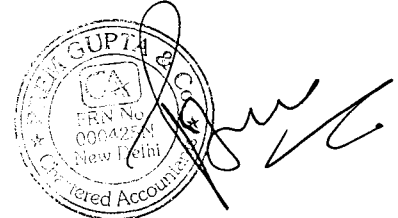
Membership No. 082069

UDIN: 21082069AAAACA2129

FOR PREM GUPTA & CO.

Chartered Accountants

Firm's Registration No.: 000425N



CA PREM BEHARI GUPTA

Partner

Membership No. 080245

UDIN: 21080245AAAAAR5594

Date: 11th November, 2021

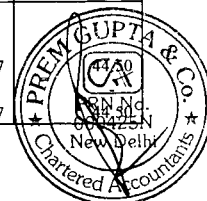
Place: New Delhi

Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi
Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year ended 30.09.2021

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	Revenue from Operations						
(i)	Interest Income	18,927.53	18,689.80	18,034.82	37,617.33	34,890.53	70,845.42
(ii)	Dividend Income	20.02	-	12.29	20.02	12.29	88.74
(iii)	Fees and Commission Income	290.03	211.84	61.95	501.87	76.40	490.36
(iv)	Other Operating Income	30.17	63.50	49.23	93.67	93.12	231.42
I.	Total Revenue from Operations	19,267.75	18,965.14	18,158.29	38,232.89	35,072.34	71,655.94
II.	Other Income	14.85	8.79	13.12	23.64	31.31	44.57
III.	Total Income (I+II)	19,282.60	18,973.93	18,171.41	38,256.53	35,103.65	71,700.51
	Expenses						
(i)	Finance Costs	11,234.73	11,313.05	11,240.39	22,547.78	22,109.24	44,683.52
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	(17.96)	658.56	(692.14)	640.60	(55.91)	166.20
(iii)	Fees and Commission Expense	3.10	10.83	5.00	13.93	14.84	24.23
(iv)	Net Loss / (Gain) on Fair Value changes	(22.34)	(25.24)	408.85	(47.58)	211.67	(53.39)
(v)	Impairment on Financial Instruments	1,567.97	1,233.05	1,749.20	2,801.02	2,303.87	5,942.29
(vi)	Cost of Services Rendered	15.36	15.33	15.27	30.69	33.52	101.23
(vii)	Employee Benefit Expenses	103.66	95.75	92.65	199.41	179.79	370.82
(viii)	Depreciation, Amortisation and Impairment	9.48	6.52	5.89	16.00	11.46	25.46
(ix)	Corporate Social Responsibility Expenses	22.47	66.43	17.47	88.89	298.28	370.22
(x)	Other Expenses	50.32	38.31	44.64	88.63	91.64	185.44
IV.	Total Expenses	12,966.78	13,412.59	12,887.22	26,379.37	25,198.40	51,816.02
V.	Profit/(Loss) Before Exceptional Items and Tax (III-IV)	6,315.82	5,561.34	5,284.19	11,877.16	9,905.25	19,884.49
VI.	Exceptional Items	-	-	-	-	-	-
VII.	Share of Profit / (Loss) in Joint Venture and Associates	(24.63)	2.23	4.76	(22.40)	9.61	6.24
VIII.	Profit/(Loss) Before Tax (V-VI)+VII.	6,291.19	5,563.57	5,288.95	11,854.76	9,914.86	19,890.73
	Tax Expense:						
	(1) Current Tax:						
	- Current Year	1,544.63	1,288.44	1,388.47	2,833.07	2,426.41	5,321.55
	- Earlier Years	(24.23)	-	-	(24.23)	177.25	401.96
	(2) Deferred Tax	(252.63)	(279.85)	(389.26)	(532.48)	(535.77)	(1,548.98)
IX.	Total Tax Expense	1,267.77	1,008.59	999.21	2,276.36	2,067.89	4,174.53
X.	Profit/(Loss) for the period from Continuing Operations (VIII-IX)	5,023.42	4,554.98	4,289.74	9,578.40	7,846.97	15,716.20
XI.	Profit/(Loss) from Discontinued Operations (After Tax)	-	-	-	-	-	-
XII.	Profit/(Loss) for the period (from continuing and discontinued operations) (X+XI)	5,023.42	4,554.98	4,289.74	9,578.40	7,846.97	15,716.20
XIII.	Other Comprehensive Income						
(A)	(i) Items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	(2.66)	(1.12)	(4.46)	(3.78)	(5.73)	(18.52)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	148.91	152.90	(14.61)	301.81	56.54	303.78
	- Share of Other Comprehensive Income / (Loss) in Joint Venture accounted for using equity method	0.02	(0.04)	-	(0.02)	-	(0.12)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	0.68	0.28	1.06	0.96	1.32	4.72
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(0.03)	0.03	(2.13)	-	(4.95)	(6.01)
	Sub-Total (A)	146.92	152.05	(20.14)	298.97	47.18	283.85
(B)	(i) Items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	17.03	49.50	30.01	66.53	(93.59)	53.17
	- Cost of Hedging Reserve	(31.20)	(17.56)	97.79	(48.76)	274.80	297.94
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	(0.17)	-	-	(0.17)	-	1.29
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains and (Loss) on Hedging Instruments in Cash Flow Hedge	(4.28)	(12.46)	(7.54)	(16.74)	23.56	(13.38)
	- Cost of Hedging Reserve	7.85	4.42	(24.61)	12.27	(69.16)	(74.98)
	Sub-Total (B)	(10.77)	23.90	95.65	13.13	135.61	264.04
	Other Comprehensive Income (A+B)	136.15	175.95	75.51	312.10	182.79	547.89
XIV.	Total Comprehensive Income for the period (XII+XIII)	5,159.57	4,730.93	4,365.25	9,890.50	8,029.76	16,264.09
	Profit attributable to:						
	- Owners of the Company	3,748.22	3,480.43	3,249.06	7,228.65	5,932.26	11,747.83
	- Non-Controlling Interest	1,275.20	1,074.55	1,040.68	2,349.75	1,914.71	3,968.37
		5,023.42	4,554.98	4,289.74	9,578.40	7,846.97	15,716.20
	Other Comprehensive Income attributable to:						
	- Owners of the Company	141.21	147.88	22.69	289.09	53.95	331.07
	- Non-Controlling Interest	(5.06)	28.07	52.82	23.01	128.84	216.82
		136.15	175.95	75.51	312.10	182.79	547.89
	Total Comprehensive Income attributable to:						
	- Owners of the Company	3,889.43	3,628.31	3,271.75	7,517.74	5,986.21	12,078.90
	- Non-Controlling Interest	1,270.14	1,102.62	1,093.50	2,372.76	2,043.55	4,185.19
		5,159.57	4,730.93	4,365.25	9,890.50	8,029.76	16,264.09
XV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	2,640.08	2,640.08	2,640.08	2,640.08	2,640.08	2,640.08
XVI.	Other Equity						
	(As per Audited balance Sheet as at 31st March)	NA	NA	NA	NA	NA	58,127.40
XVII.	Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*						
	(1) For continuing operations (in ₹)	14.20	13.18	12.31	27.38	22.47	
	(2) For discontinued operations (in ₹)	-	-	-	-	-	
	(3) For continuing and discontinued operations (in ₹)	14.20	13.18	12.31	27.38	22.47	

* EPS for the quarters & Half years are not annualised.
See accompanying Notes to the Consolidated Financial Results.

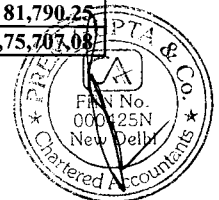
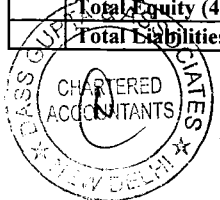


Notes to the Consolidated Financial Results:

1. Consolidated Statement of Assets and Liabilities

(₹ in crore)

Sr. No.	Particulars	As at	As at
		30.09.2021	31.03.2021
		(Un-Audited)	(Audited)
	ASSETS		
1	Financial Assets		
(a)	Cash and Cash Equivalents	7,414.36	4,927.74
(b)	Bank Balance other than included in Cash and Cash Equivalents	1,289.89	3,274.82
(c)	Derivative Financial Instruments	5,474.47	3,562.67
(d)	Trade Receivables	133.47	167.61
(e)	Loans	7,35,150.86	7,22,386.84
(f)	Investments (Other than accounted for using equity method)	3,817.42	2,950.48
(g)	Other Financial Assets	30,090.20	29,779.87
	Total Financial Assets (1)	7,83,370.67	7,67,050.03
2	Non- Financial Assets		
(a)	Current Tax Assets (Net)	516.11	525.32
(b)	Deferred Tax Assets (Net)	6,989.48	6,461.03
(c)	Investment Property	-	0.01
(d)	Property, Plant and Equipment	630.53	297.75
(e)	Capital Work-in-Progress	27.08	335.67
(f)	Intangible Assets under development	-	0.77
(g)	Other Intangible Assets	5.91	6.39
(h)	Right of Use Assets	47.25	37.17
(i)	Other Non-Financial Assets	485.66	411.43
(j)	Investments accounted for using equity method	0.50	548.35
	Total Non- Financial Assets (2)	8,702.52	8,623.89
3	Assets Classified as held for sale	37.37	33.16
	Total Assets (1+2+3)	7,92,110.56	7,75,707.08
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	Financial Liabilities		
(a)	Derivative Financial Instruments	1,273.57	1,340.35
(b)	Trade Payables		
(i)	Total outstanding dues of Micro, Small and Medium Enterprises	-	0.01
(ii)	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	39.00	70.42
(c)	Debt Securities	4,71,702.12	4,80,080.65
(d)	Borrowings (other than Debt Securities)	1,79,842.50	1,63,344.42
(e)	Subordinated Liabilities	16,532.76	16,257.09
(f)	Other Financial Liabilities	31,117.17	32,074.60
	Total Financial Liabilities (1)	7,00,507.12	6,93,167.54
2	Non- Financial Liabilities		
(a)	Current Tax Liabilities (Net)	699.76	140.68
(b)	Provisions	252.27	263.27
(c)	Other Non-Financial Liabilities	340.58	345.26
	Total Non- Financial Liabilities (2)	1,292.61	749.21
3	Liabilities directly associated with assets classified as held for sale	0.02	0.08
	Total Liabilities (1+2+3)	7,01,799.75	6,93,916.83
4	Equity		
(a)	Equity Share Capital	2,640.08	2,640.08
(b)	Other Equity	64,610.28	58,127.40
	Equity attributable to owners of the Company (a+b)	67,250.36	60,767.48
(c)	Non-Controlling Interest	23,060.45	21,022.77
	Total Equity (4)	90,310.81	81,790.25
	Total Liabilities and Equity (1+2+3+4)	7,92,110.56	7,75,707.08

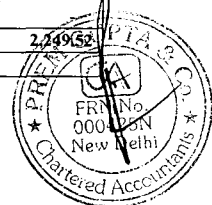
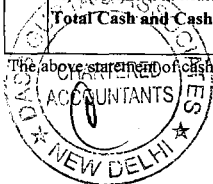


2. Consolidated Statement of Cash Flows for the Half Year ended 30.09.2021

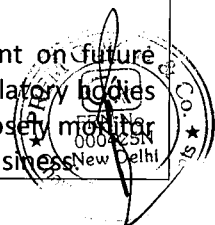
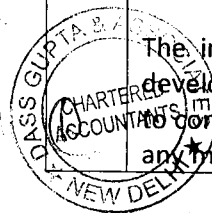
(₹ in crore)

Sr. No.	Description	Half Year ended 30.09.2021		Half Year Ended 30.09.2020	
I.	Cash Flow from Operating Activities :				
	Profit before Tax	11,854.76		9,914.86	
	Adjustments for:				
	Loss on derecognition of Property, Plant and Equipment (net)	2.43		3.13	
	Depreciation and Amortisation	15.99		11.46	
	Interest expense on Zero Coupon Bonds and Commercial Papers	65.83		14.99	
	Unrealised Foreign Exchange Translation Loss / (Gain)	(671.52)		470.98	
	Net Change in Fair Value	(47.01)		229.24	
	Impact of Effective Interest Rate on Loans	(7.03)		(6.63)	
	Impairment on Financial Instruments	2,799.95		2,303.87	
	Interest income on Investments and Others	0.15		-	
	Interest on Interest Subsidy Fund	0.75		0.71	
	Excess Liabilities written back	-		(0.05)	
	Provision for Retirement Benefits etc.	27.35		(0.18)	
	Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	63.74		184.00	
	Interest on Income Tax Refund	-		(9.67)	
	Share of Profit/Loss of Joint Venture accounted for using equity method	22.40		(9.61)	
	Provision Written back for Doubtful Debt & Advances	0.01		-	
	Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.71)		-	
	Interest Accrued but not due on investments	(6.46)		(49.38)	
	Operating profit before Working Capital Changes:	14,119.63		13,057.72	
	Increase / Decrease :				
	Loans (Net)	(12,105.51)		(54,575.28)	
	Other Financial and Non-Financial Assets	1,178.83		771.06	
	Derivative	(1,556.19)		180.23	
	Other Financial & Non-Financial Liabilities and Provisions	(1,185.50)		1,114.56	
	Cash Flow before Exceptional Items	451.26		(39,451.71)	
	Exceptional Items	-		-	
	Cash Flow from Operations Before Tax	451.26		(39,451.71)	
	Income Tax paid	(2,239.76)		(1,826.15)	
	Income Tax Refund	-		305.85	
	Net Cash flow from Operating Activities		(1,788.50)		(40,972.01)
II.	Cash Flow From Investing Activities :				
	Proceeds from disposal of Property, Plant and Equipment	(0.35)		0.18	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(47.74)		(39.32)	
	Finance Cost Capitalised	(5.39)		(10.54)	
	Sale of Equity Shares of Indian Energy Exchange Limited	405.59		183.63	
	Sale/(Investment) of/in shares of associate companies (Net)	0.10		(0.45)	
	Redemption/ (Investment) in Debt Securities (net)	9.45		9.47	
	Redemption/ (Investment) in Government Securities (net)	(465.82)		-	
	Increase / Decrease in Other Investments	44.46		8.87	
	Sale of assets held for sale	1.73		-	
	Maturity/(Investment) of/in Corporate and Term deposits	(7.62)		(2.34)	
	Net Cash Inflow from Investing Activities		(65.59)		149.50
III.	Cash Flow From Financing Activities :				
	Raising of Bonds (including premium) (Net of Redemptions)	(11,228.00)		15,286.22	
	Raising of Long Term Loans (Net of Repayments)	5,122.08		21,319.09	
	Raising of Foreign Currency Loans (Net of Repayments)	14,938.59		1,844.22	
	Raising of Subordinated Liabilities (Net of Redemptions)	0.00		1,999.50	
	Raising of Commercial paper (Net of Repayments)	(3,120.00)		195.00	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	(185.02)		524.42	
	Unclaimed Bonds (Net)	(82.52)		(0.95)	
	Unclaimed Dividend (Net)	26.96		(0.28)	
	Payment of Lease Liability	(0.01)		(0.40)	
	Payment of Interim Dividend	(1,131.36)		-	
	Net Cash in-flow from Financing Activities		4,340.72		41,166.82
	Net Increase / Decrease in Cash and Cash Equivalents		2,486.63		344.31
	Add : Cash and Cash Equivalents at beginning of the financial year		4,927.74		1,905.21
	Cash and Cash Equivalents at the end of the period		7,414.37		2,249.52
	Details of Cash and Cash Equivalents at the end of the period:				
	i) Balances with Banks (of the nature of cash and cash equivalents)				
	In current accounts	679.18		1,109.62	
	In Term Deposit Accounts	5,140.50	5,819.68	1,139.82	2,249.44
	ii) Cheques, Drafts on hand including postage and Imprest		0.14		0.08
	iii) Investment in Mutual Funds (original maturity upto 3 months)		1,594.55		
	Total Cash and Cash Equivalents at the end of the period		7,414.37		2,249.52

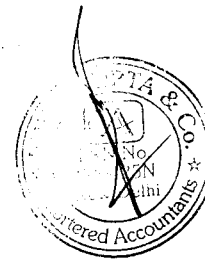
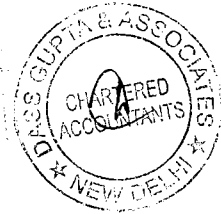
The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.



3	These unaudited consolidated financial results of the Group have been reviewed & recommended by the Audit Committee and subsequently approved & taken on record by the Board of Directors of the Company in their respective meetings held on 11.11.2021. The same have been limited reviewed by Joint Statutory Auditors of the Company viz. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Co., Chartered Accountants in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.																
4	The unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.																
5	The unaudited consolidated financial results for the quarter and half year ended 30.09.2021 includes the quarterly limited reviewed consolidated financial results of one subsidiary; management approved consolidated financial results of one subsidiary; and management approved standalone financial results of fifteen associates and one joint Venture entity (Energy Efficiency Services Limited, till date of cessation of Joint Control i.e. 01.09.2021). The financial results of these subsidiaries , joint venture entity and associates have been consolidated in accordance with Ind AS 110 - 'Consolidated Financial Statements' , Ind AS 111- 'Joint Arrangements' and Ind AS 28 - 'Investments in Associates and Joint Ventures'.																
6	<p>Details of credit impaired loans and impairment loss allowance thereon (including on commitments) maintained by the Company and its subsidiary REC Ltd., as per Ind AS 109 are as under:</p> <p style="text-align: right;">(₹ in crore)</p> <table border="1" data-bbox="247 1081 1487 1227"> <thead> <tr> <th>S. No.</th> <th>Particulars</th> <th>As on 30.09.2021</th> <th>As on 31.03.2021</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td>Credit Impaired loans</td> <td>39,274.41</td> <td>39,407.09</td> </tr> <tr> <td>b)</td> <td>Impairment Loss Allowance Maintained</td> <td>26,226.73</td> <td>25,207.67</td> </tr> <tr> <td>c)</td> <td>Impairment Loss Allowance Coverage (%) (b/a)</td> <td>66.78%</td> <td>63.97%</td> </tr> </tbody> </table>	S. No.	Particulars	As on 30.09.2021	As on 31.03.2021	a)	Credit Impaired loans	39,274.41	39,407.09	b)	Impairment Loss Allowance Maintained	26,226.73	25,207.67	c)	Impairment Loss Allowance Coverage (%) (b/a)	66.78%	63.97%
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c)	Impairment Loss Allowance Coverage (%) (b/a)	66.78%	63.97%														
7	As a matter of prudence, income on credit impaired loans is recognised as and when received and/ or on accrual basis when expected realisation is higher than the loan amount outstanding.																
8	The Board of Directors in their meeting held on 11.11.2021 declared a second interim dividend @ 25 % on the paid up equity share capital i.e. ₹ 2.50 per equity share of ₹ 10/- each. The total interim dividend for the FY 2021-22 is ₹ 4.75 per equity share of ₹ 10 each/- .																
9	In the context of reporting business / geographical segment as required by Ind AS 108 - "Operating Segments", the Group's operations majorly comprise of one business segment - lending to power sector entities. Accordingly, there is no reportable segment as per Ind AS 108.																
10	<p>During the quarter ended 30.09.2021, there has been a gradual decrease in Covid-19 cases. The second wave of Covid-19 pandemic in April-May 2021 led to reimposition of lockdown measures in various parts of the country. The second wave has started to subside from June 2021 onwards leading to gradual lifting of lockdown, resulting in significant improvement in economic activity.</p> <p>The Group believes that considering its high credit worthiness and well-established relationship with lenders, it can mobilise funds from domestic & international markets and there will not be any significant impact of this pandemic in continuing the business operations, in maintaining its financial position and in its ability to continue as a going concern.</p> <p>The impact of this pandemic on the Group will, inter alia, continue to be dependent on future developments which are uncertain and any further actions by the Government and Regulatory bodies to contain its impact on the power sector and NBFCs. The Group shall also continue to closely monitor any material changes arising of future economic conditions and potential impact on its business.</p>																



11	During the quarter ended 30.09.2021, amendment in JV agreement was made in respect of Energy Efficiency Services Limited (EESL) amongst all the JV partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited vide Supplementary Agreement dated 01.09.2021. Due to the amendment, EESL ceases to be a jointly controlled entity under Ind AS framework for the Company and its subsidiary REC Ltd. w.e.f 01.09.2021. Necessary accounting treatment in this regard has been made in the unaudited consolidated financial results.
12	As required under Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, disclosure of related party transactions on consolidated basis for the half year ended 30.09.2021 is given at Annexure – A.
13	Figures for the quarter ended 30.09.2021 & 30.09.2020 are the balancing figures between unaudited figures for the six months ended 30.09.2021 & 30.09.2020 and unaudited figures for the quarter ended 30.06.2021 & 30.06.2020 respectively.
14	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable.
	<p style="text-align: center;"><i>R. S. Dhillon</i> R. S. DHILLON Chairman & Managing Director DIN – 00278074</p> <p>PLACE: NEW DELHI DATE: 11.11.2021</p>



Annexure-A

Details of related party transactions as required under Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on consolidated basis:

(₹ in crore)

Particulars	During Half year ended 30.09.2021
Associates	
Interest income on advances to associates	8.88
Advances received from Associates	0.17
Interest expenses on advances from associates	1.38
Advances to associates	2.00
Income on transfer of Associates	13.71
Others	4.36
Joint Venture	
Others #	0.09
Trusts/Funds/Foundations of the Group	
Contributions made during the year	16.38
Subscription to bonds of the Company	2.60
Finance cost on bonds	0.99
Others (Contribution to foundation for CSR expenses)	30.00
Key managerial personnel	
Remuneration to KMPs	4.50
Repayment/ Recovery of loans and advances	0.20
Directors' Sitting Fees	0.07
Finance cost on bonds	0.015
Redemption of bonds(net of subscription)	0.3
Others	
Dividend received – PTC India Limited	6.60

EESL ceases to be a joint venture w.e.f 01.09.2021, hence transactions pertaining to 01.04.2021 to 31.08.2021 have been disclosed.

