

APPLICANT'S UNDERTAKING

I/We hereby agree and confirm that:

1. I/We have read, understood and agreed to the contents and terms and conditions of POWER FINANCE CORPORATION LIMITED Shelf Prospectus dated October 05, 2013 and Prospectus Tranche - I dated October 05, 2013 ("Prospectus")
2. I/We hereby apply for allotment of the Bonds to me/us and the amount payable on application is remitted herewith.
3. I/We hereby agree to accept the Bonds applied for or such lesser number as may be allotted to me/us in accordance with the contents of the Prospectus subject to applicable statutory and/or regulatory requirements.
4. I/We irrevocably give my/our authority and consent to IL & FS TRUST COMPANY LIMITED, to act as my/our trustees and for doing such acts as are necessary to carry out their duties in such capacity.
5. I am/We are Indian National(s) resident in India and I am/ we are not applying for the said Bonds as nominee(s) of any person resident outside India and/or Foreign National(s).
6. The application made by me/us do not exceed the investment limit on the maximum number of Bonds which may be held by me/us under applicable statutory and/or regulatory requirements.
7. In making my/our investment decision I/We have relied on my/our own examination of the company and the terms of the issue, including the merits and risks involved and my/our decision to make this application is solely based on disclosures contained in the Prospectus.
8. I/We have obtained the necessary statutory and/or regulatory permissions/approvals for applying for, subscribing to, and seeking allotment of the Bonds applied for.
9. **Additional Undertaking, in case of ASBA Applicants:**
 - 1) I/We hereby undertake that I/We am/are an ASBA Applicant(s) as per applicable provisions of the SEBI Regulations; 2) In accordance with ASBA process provided in the SEBI Regulations and disclosed in the Prospectus, I/We authorize (a) the Lead Managers/ Consortium Members/ Sub-Consortium Members / Brokers/Sub Brokers/Trading Members (in Specified cities only) or the SCSBs, as the case may be, to do all acts as are necessary to make the Application in the Issue, including uploading my/our application, blocking or unblocking of funds in the bank account maintained with the SCSB as specified in the Application Form, transfer of funds to the Public Issue Account on receipt of instruction from the Registrar to the Issue, after finalization of Basis of Allotment; and (b) the Registrar to the Issue to issue instruction to the SCSBs to unlock the funds in the specified bank account upon finalization of the Basis of Allotment. 3) In case the amount available in the specified Bank Account is insufficient as per the Application, the SCSB shall reject the Application.
10. **Additional Undertaking in case the Applicant wishes to hold the Bonds in physical form:**
 1. In terms of Section (8)(1) of the Depositories Act, 1996, I/we wish to hold the Bonds in physical form.
 2. I/We confirm that the Information provided in this form is true and correct and I/We enclose herewith self attested copies of the KYC Documents.
 3. I/We confirm that we do not hold any Demat Account.

ISSUE RELATED INFORMATION FOR FILLING THE APPLICATION FORM

KYC Documents: (To be submitted only for holding Bonds in Physical Form) Self-attested copies of the following documents are required to be submitted by the Applicants as KYC Documents:

1. PAN card
2. Proof of residence: Any of the following documents shall be considered as a verifiable proof of residence: ● ration card issued by the GoI; or ● valid driving license issued by any transport authority of the Republic of India; or ● electricity bill (not older than three months); or ● landline telephone bill (not older than three months); or ● valid passport issued by the GoI; or ● voter's identity card issued by the GoI; or ● passbook or latest bank statement issued by a bank operating in India; or ● registered leave and license agreement or agreement for sale or rent agreement or flat maintenance bill; or ● Aadhaar Letter issued by Unique Identification Authority of India (UIDAI).
3. Self-attested copy of a cancelled cheque of the bank account to which the amounts pertaining to payment of refunds, interest and redemption as applicable, should be credited

Investor Categories:

Category-I (QIB)	Sub Category Code	Category II (Corporates)	Sub Category Code
Indian Public Financial Institutions	11	Trusts including Public/ private charitable/religious trusts;	24
Scheduled Commercial Banks	12	Limited liability partnerships;	25
Indian Provident Funds with minimum corpus of ₹ 25 crores	13	Partnership firms in the name of partners,	26
Indian Pension Funds with minimum corpus of ₹ 25 crores	14	Regional rural banks;	27
Insurance Companies registered with the IRDA	15	Societies registered under the applicable law in India and authorized to invest in Bonds; and	28
National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India	16	Association of Persons	29
Indian Mutual Funds registered with SEBI	17	Other legal entities, subject to compliance with their respective applicable legislations.	81
Indian Alternative Investment Funds eligible to invest under the SEBI (Alternative Investment Funds) Regulations, 2012	18	Category-III (High Networth Individuals) ("HNIs")	
Indian Multilateral and bilateral development financial institutions	19	Resident Indian individuals who apply for Bonds aggregating to a value more than ₹ 10 lacs (₹ 0.1 crore), across all Series of Bonds in this Tranche - I Issue	31
State Industrial Development Corporations	20	Hindu Undivided Families through the Karta who apply for Bonds aggregating to a value more than ₹ 10 lacs (₹ 0.1 crore), across all Series of Bonds in this Tranche-I Issue	32
Insurance Funds set up and managed by army, navy or air force of the Union of India	55	Category-IV (Retail Individual Investors) ("RIIs")	
Insurance Funds set up and managed by the Department of Posts, India	56	Resident Indian individuals who apply for Bonds aggregating upto and including ₹ 10 lacs (₹ 0.1 crore), across all Series of Bonds in this Tranche-I Issue	41
Category II (Corporates)	Sub Category Code		
Companies within the meaning of clause 20 section 2 of the Companies Act, 2013	21	Hindu Undivided Families through the Karta who apply for Bonds aggregating upto and including ₹ 10 lacs (₹ 0.1 crore), across all Series of Bonds in this Tranche-I Issue	42
Statutory bodies/corporations;	22		
Cooperative banks;	23		

ISSUE STRUCTURE:

Options / Series of Bonds*	Tranche I Series 1 A	Tranche I Series 2 A	Tranche I Series 3 A
Coupon rate (%) p.a. For Category I, II & III*	8.18%	8.54%	8.67%
Annualised yield (%) p.a. For Category I, II & III*	8.18%	8.54%	8.67%
Options / Series of Bonds*	Tranche I Series 1 B	Tranche I Series 2 B	Tranche I Series 3 B
Coupon rate (%) p.a. For Category IV*	8.43%	8.79%	8.92%
Annualised yield (%) p.a. For Category IV*	8.43%	8.79%	8.92%
	For Category I, II, III and IV*		
Frequency of interest payment	Annual		
Minimum Application size	5 Bonds (₹ 5000) across all Series of Bonds and in multiples of 1 Bond thereafter		
Mode of Allotment	In both dematerialised and physical form to all Applicants other than QFIs.		
Face value / Issue price	₹ 1,000 per Bond.		
Tenor	10 years	15 years	20 years
Coupon Type	Fixed coupon rate		
Redemption Date	10 years from the Deemed Date of Allotment	15 years from the Deemed Date of Allotment	20 years from the Deemed Date of Allotment
Redemption Amount (₹/Bond)	Repayment of the face value and any interest that may have accrued on the Redemption Date.		
Modes of interest payment	Through various available modes.**		
Put option and call option	None		
Security	The security for the Bonds proposed to be issued, being a charge on the book debts of the Company by a first/pari passu charge, and/ or any other security, pursuant to the terms of the Debenture Trust Deed, to be created within one month of the Deemed Date of Allotment, in accordance with the SEBI Debt Regulations.		

* Our Company shall allocate and allot Tranche I Series 1 A/ Series 1 B (depending upon the category of applicants) to all valid applications, wherein the Applicants have not indicated their choice of the relevant Series of Bond.

** For various modes of interest payment, see the section titled "Terms of the Issue - Modes of Payment" on page 54 of the Prospectus - Tranche I.

In pursuance of CBDT Notification and for avoidance of doubts, it is clarified as under:

a. The coupon rates indicated under Tranche 1 Series 1B, Tranche 1 Series 2B and Tranche 1 Series 3B shall be payable only on the Portion of Bonds allotted to Category IV in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under Category IV. b. In case the Bonds allotted against Tranche 1 Series 1B, Tranche 1 Series 2B and Tranche 1 Series 3B are transferred by Category I, Category II and/or Category III, the coupon rate on such Bonds shall stand at par with coupon rate applicable on Tranche 1 Series 1A, Tranche 1 Series 2A and Tranche 1 Series 3A respectively. c. Bonds allotted against Tranche 1 Series 1B, Tranche 1 Series 2B and Tranche 1 Series 3B shall continue to carry the specified coupon rate if on the Record Date for payment of interest, such Bonds are held by investors falling under Category IV; d. If on any Record Date, the original Category IV allottee(s)/ transferee(s) hold the Bonds under Tranche 1 Series 1B, Tranche 1 Series 2B, Tranche 1 Series 3B, Tranche 1 Series 1A, Tranche 1 Series 2A and Tranche 1 Series 3A for an aggregate face value amount of over ₹ 10 lacs, then the coupon rate applicable to such Category IV allottee(s)/ transferee(s) on Bonds under Tranche 1 Series 1B, Tranche 1 Series 2B, Tranche 1 Series 3B shall stand at par with coupon rate applicable on Tranche 1 Series 1A, Tranche 1 Series 2A and Tranche 1 Series 3A respectively; e. Bonds allotted under Tranche 1 Series 1A, Tranche 1 Series 2A and Tranche 1 Series 3A shall carry coupon rates indicated above till the respective maturity of Bonds irrespective of Category of holder(s) of such Bonds; f. For the purpose of classification and verification of status of the Category IV of Bondholders, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds allotted under the Tranche - I Issue shall be clubbed and taken together on the basis of PAN. With regard to Section 372A(3) of the Companies Act, 1956, kindly refer to General Circular No. 6/ 2013, dated March 14th, 2013 Ministry of Corporate Affairs. Gd clarifying that in cases where the effective yield on tax free bonds is greater than the prevailing bank rate, there shall be no violation of Section 372A(3) of the Companies Act, 1956. Participation by any of the Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and/or regulatory provisions.

Note: a) Please note that you cannot apply for the Bonds through the ASBA process if you wish to be Allotted the Bonds in physical form. b) Basis of Allotment: For details, please refer to page no. 20 of the Abridged Prospectus. c) For Grounds for Technical Rejection. Please refer to page no. 18 of the Abridged Prospectus. d) The details of the collection centres of the Escrow Collection Banks shall be available on the website of BSE at www.bseindia.com. e) For further details please refer to the Shelf Prospectus and Prospectus-Tranche I.

TEAR HERE

- While submitting the Application Form, the Applicant should ensure that the date stamp being put on the Application Form by the Lead Managers/Lead Brokers/Sub Brokers/Trading Members/SCSB matches with the date stamp on the Acknowledgement Slip
- In case of queries related to allotment/ credit of Allotted Bond/Refund, the Applicants should contact Registrar to the Issue.
- In case of ASBA Application submitted to the SCSBs, the Applicants should contact the relevant SCSB.
- In case of queries related to upload of ASBA Applications submitted to the Lead Managers/Consortium/Sub-Consortium Members/Brokers/Sub Brokers/Trading Member should contact the relevant Lead Managers/Consortium /Sub-Consortium Members/Brokers/Sub Brokers/Trading Member.
- The grievance arising out of Applications for NCDs made through Trading Members may be addressed directly to BSE

COMPANY CONTACT DETAILS
POWER FINANCE CORPORATION LIMITED Registered and Corporate Office: Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi 110001, India. Telephone: +91 11 2345 6000; Facsimile: +91 11 2341 2545; Company Secretary and Compliance Officer: Mr. Manohar Balwani; Telephone: +91 11 2345 6000; Facsimile: +91 11 2341 2545 E-mail: taxfreebonds13-14@pfcindia.com ; Website: www.pfcindia.com

REGISTRAR CONTACT DETAILS
KARVY COMPUTERSHARE PRIVATE LIMITED Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081. Toll Free No.1-800-3454001; Tel: +91 40 4465 5000; Facsimile: +91 40 2343 1551 Investor Grievance Email: pfc.bonds@karvy.com Website: http://karishma.karvy.com Contact Person: M Murali Krishna - General Manager SEBI Registration Number: INR000000221

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

THIS ABRIDGED PROSPECTUS CONSISTS OF 40 PAGES, PLEASE ENSURE THAT YOU GET ALL PAGES

Please ensure that you read the Prospectus and the general instructions contained in this Memorandum before applying in the Issue. Unless otherwise specified, all capitalised terms used in this form shall have the meaning ascribed to such terms in the Shelf Prospectus. The investors are advised to retain a copy of Shelf Prospectus/Abridged Prospectus for their future reference.



POWER FINANCE CORPORATION LIMITED

(A Government of India undertaking)

Our Company was incorporated as Power Finance Corporation Limited on July 16, 1986 as a public limited company under the Companies Act, 1956, as amended and was granted a certificate of incorporation by the Registrar of Companies, National Capital Territory of New Delhi and Haryana and was granted certificate of commencement of business on December 31, 1987. For further details, see the section titled "History and Certain Corporate Matters" on page 110 of the Shelf Prospectus.

Registered and Corporate Office: 'Urjanidhi', 1 Barakhamba Lane, Connaught Place, New Delhi 110001, India.

Telephone: +91 11 2345 6000; Facsimile: +91 11 2341 2545

Company Secretary and Compliance Officer: Mr. Manohar Balwani; Telephone: +91 11 2345 6000; Facsimile: +91 11 2341 2545

E-mail: taxfreebonds13-14@pfcindia.com; Website: www.pfcindia.com

PUBLIC ISSUE BY POWER FINANCE CORPORATION LIMITED ("COMPANY" OR THE "ISSUER") OF TAX FREE BONDS OF FACE VALUE OF ₹ 1000 EACH IN THE NATURE OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES, HAVING BENEFITS UNDER SECTION 10(15)(iv)(h) OF THE INCOME TAX ACT, 1961, AS AMENDED ("BONDS") AGGREGATING UP TO ₹ 3,875.90 CRORES ("SHELF LIMIT")* ("ISSUE"). THE BONDS WILL BE ISSUED AT PAR IN ONE OR MORE TRANCHE UP TO THE SHELF LIMIT, ON TERMS AND CONDITIONS AS SET OUT IN SEPARATE TRANCHE PROSPECTUS(ES) FOR EACH TRANCHE ISSUE, WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS. THIS TRANCHE - I ISSUE IS OF BONDS FOR AN AMOUNT OF ₹ 750 CRORES WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UPTO ₹ 3,875.90 CRORES ("TRANCHE - I ISSUE"). THIS TRANCHE - I ISSUE IS BEING OFFERED BY WAY THE PROSPECTUS TRANCHE - I CONTAINING, INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE - I ISSUE ("PROSPECTUS TRANCHE - I"), WHICH SHALL BE READ TOGETHER WITH THE SHELF PROSPECTUS OF THE ISSUE. THE SHELF PROSPECTUS READ WITH THE PROSPECTUS TRANCHE - I SHALL CONSTITUTE THE "PROSPECTUS".

**Our Company is also considering raising funds through private placements of the Bonds in one or more tranches during the process of the present Issue, within the Shelf Limit, at its discretion. Our Company will ensure that Bonds issued through public issue and/or on private placement basis together shall not exceed ₹ 5000 crores and the Bonds issued on private placement basis shall not exceed 30% of the total allocated limit.*

The Issue is made under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("SEBI Debt Regulations") and pursuant to notification No. 61/2013/F. No.178/37/2013-(ITA.I) dated August 8, 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India, by virtue of powers conferred upon it by item (h) of sub-clause (iv) of clause (15) of section 10 of the Income Tax Act, 1961, as amended.

GENERAL RISKS

Investors are advised to read the section titled "Risk Factors" on page 15 of the Shelf Prospectus carefully before taking an investment decision in relation to this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. The Prospectus Tranche - I has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), any registrar of companies or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Prospectus does contain and will contain all information with regard to the Issuer and the relevant Tranche Issue, which is material in the context of the Issue; that the information contained in the Prospectus will be true and correct in all material respects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect at the time of the Issue.

CREDIT RATING

ICRA Limited ("ICRA") has assigned a rating of '[ICRA]AAA' to the long term borrowings programme of our Company (including bonds and long term bank borrowings) for Fiscal 2014, by its letter dated July 15, 2013 and revalidated the said rating vide its letters dated August 13, 2013 and September 16, 2013. CRISIL Limited ("CRISIL") has assigned a rating of 'CRISIL AAA/ Stable' to the long term borrowings programme of our Company for Fiscal 2014, by its letter dated July 11, 2013 and revalidated the said rating vide its letters dated August 06, 2013, September 03, 2013 and September 26, 2013. Credit Analysis & Research Ltd. ("CARE") has assigned its rating of 'CARE AAA' to the long term borrowing programme of our Company for Fiscal 2014 by its letter dated July 12, 2013 and revalidated the said rating vide its letters dated August 08, 2013, September 04, 2013 and September 27, 2013. Instruments with these ratings are considered to have the highest degree of safety regarding timely servicing of financial obligations and such instruments carry lowest credit risk. For details, see the section titled "Terms and Conditions in Connection with the Bonds" on page 42 of the Prospectus Tranche - I. For the rationale for this rating, see Annexure C of the Shelf Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. This rating is subject to revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated September 17, 2013 was filed with BSE, the Designated Stock Exchange, pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of seven Working Days (i.e., until 5 p.m.) from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange (i.e. September 24, 2013).

LISTING

The Bonds are proposed to be listed on the BSE, which is also the Designated Stock Exchange for the Issue. BSE has given its in-principle listing approval vide its letter dated September 24, 2013.

ISSUE PROGRAMME**

ISSUE OPENS ON : October 14, 2013

ISSUE CLOSES ON : November 11, 2013

**IL&FS Trustee Company Limited has by its letter dated August 13, 2013 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Shelf Prospectus/relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.*

A copy of the Prospectus Tranche - I shall be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana, in terms of section 56 and 60 of the Act and section 31 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details please refer to the section titled "Material Contracts and Documents for Inspection" beginning on page 91 of the Prospectus Tranche-I.

***The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board or a duly constituted committee thereof. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a reputed daily national newspaper on or before such earlier or extended date of Issue closure. On the Issue Closing Date Application Forms will be accepted only between 10 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the BSE.*

LEAD MANAGERS TO THE ISSUE



ICICI Securities Limited
 H.T. Parekh Marg, Churchgate
 Mumbai 400 020, India
 Tel: +91 22 2288 2460
 Facsimile: +91 22 2282 6580
 Email: pfc.taxfreebonds@icicisecurities.com
 Investor Grievance Email:
 customercare@icicisecurities.com
 Website: www.icicisecurities.com
 Contact Person: Mr. Ayush Jain
 Compliance Officer: Mr. Subir Saha
 SEBI Registration No.: INM000011179



A. K. Capital Services Limited
 30-39 Free Press House, 3rd Floor,
 Free Press Journal Marg, 215, Nariman Point,
 Mumbai 400021
 Tel: +91 22 6754 6500;
 Facsimile: +91 22 6610 0594
 Email: pfc.tfbonds3@akgroup.co.in
 Investor Grievance Email: investor.grievance@akgroup.co.in
 Website: www.akcapindia.com
 Contact Person: Ms. Akshata Tambe/Mr. Mandeep Singh
 Compliance Officer: Mr. Vikas Agarwal
 SEBI Registration No.: INM000010411



Axis Capital Limited
 First Floor, Axis House, C-2, Wadia International Centre,
 P B Marg, Worli
 Mumbai 400025
 Tel: +91 22 4325 2525;
 Facsimile: +91 22 4325 3000
 Email: pfc.taxfree@axiscap.in
 Investor Grievance Email: complaints@axiscap.in
 Website: www.axiscapital.co.in
 Contact Person: Akash Aggarwal
 Compliance Officer: Mr. M. Natarajan
 SEBI Registration No.: INM000012029



Edelweiss Financial Services Limited
 14th Floor, Edelweiss House
 Off CST Road, Kalina, Mumbai 400 098
 Maharashtra, India
 Tel: +91 22 4086 3535;
 Facsimile: +91 22 4086 3610
 Email: pfc.tfbonds@edelweissfn.com
 Investor Grievance Email: customerservice.mb@edelweissfn.com
 Website: www.edelweissfn.com
 Contact Person: Mr. Sumeet Lath / Mr. Viral Shah
 Compliance Officer: Mr. B. Renganathan
 SEBI Registration No.: INM0000010650

REGISTRAR TO THE ISSUE



Karvy Computershare Private Limited
 Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081
 Telephone: +91 40 44655000
 Facsimile: +91 40 2343 1551
 Email: pfc.bonds@karvy.com
 Website: http://karisma.karvy.com
 Investor Grievance ID: pfc.bonds@karvy.com
 Contact Person : Mr. M Murali Krishna
 SEBI Registration Number: INR000000221

DEBENTURE TRUSTEE TO THE ISSUE



IL & FS Trust Company Limited
 The IL & FS Financial Centre
 Plot C – 22, G Block, Bandra Kurla Complex
 Bandra (East), Mumbai – 400 051
 Telephone: +91 22 2659 3333
 Facsimile: +91 22 2653 3297
 Email: subhash.jha@iflfsindia.com
 Website: www.itclindia.com
 Investor Grievance ID: investorgrievancesitel@iflfsindia.com
 Contact Person : Mr. Subhash Jha
 SEBI Registration Number: IND0000000452
 IL & FS Trust Company Limited has given its consent to the Issuer for its appointment under regulation 4 (4) of SEBI Debt Regulations. For the consent letter of the Debenture Trustee, see Annexure E of the Shelf Prospectus.

LEGAL COUNSEL TO THE ISSUE

M. V. Kini & Co.
 Kini House, 6/39, Jangpura 'B'
 New Delhi 110 014
 Telephone: + 91 11 2437 1038/39/40
 Facsimile: + 91 11 2437 9484

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Manohar Balwani
 'Urjanidhi', 1, Barakhamba Lane, Connaught Place,
 New Delhi - 110 001, India.
 Telephone: +91 11 2345 6000
 Facsimile: +91 11 2341 2545
 E-mail: taxfreebonds13-14@pfcindia.com
 Website: www.pfcindia.com

DIRECTOR (FINANCE)*

Mr. Radhakrishnan Nagarajan
 'Urjanidhi', 1, Barakhamba Lane, Connaught Place,
 New Delhi - 110 001, India.
 Telephone: +91 11 2345 6000
 Facsimile: +91 11 2341 2545
 Website: www.pfcindia.com

* Our Company does not have a designated Chief Financial Officer. Mr. Radhakrishnan Nagarajan is the whole – time finance director who heads the finance functions of our Company.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, credit of Allotted Bonds in beneficiary accounts, Bond Certificates (for Applicants who have applied for Allotment in physical form), refund orders and interest on the Application Amounts.

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of Bonds applied for, amount paid on application, Depository Participant and the collection centre of the Members of the Syndicate where the Application was submitted. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of Bonds applied for, amount blocked on Application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicant.

All grievances arising out of Applications for the Bonds made through Trading Members may be addressed directly to the Designated Stock Exchange.

All grievances arising out of Applications for the Bonds made through the Online Stock Exchange Mechanism or through Trading Members may be addressed directly to the respective Stock Exchange

STATUTORY AUDITORS

N.K. Bhargava & Co.

Chartered Accountants
C-31, Acharya Nikaten, 1st Floor
Opposite Pocket One, Mayur Vihar
Phase One, New Delhi – 110091, India.
Tel: +91 11 2279 3650; +91 11 2275 2376
Email: nkbhargavacompany@yahoo.co.in
ICAI Firm Registration no.: 000429N

Auditor of the Company since: August 17, 2011

M/s K.B. Chandna & CO.

Chartered Accountants, E-27, South Extension – II, New Delhi -110049
Tel: +91 11 26252762
Email: kbc.chandna@gmail.com
ICAI Firm Registration no.: 000862N

Auditor of the Company since: August 2, 2013

ESCROW COLLECTION BANKS/ BANKERS TO THE ISSUE

Yes Bank Limited, State Bank of India, IndusInd Bank Limited, ICICI Bank Limited, HDFC Bank Limited, Kotak Mahindra Bank Limited, Axis Bank Limited
For further details, please refer to section 'General Information' on page 21 of the Prospectus Tranche - I.

SELF CERTIFIED SYNDICATE BANKS

The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> or at such other website as may be prescribed by SEBI from time to time.

REFUND BANK TO THE ISSUE

HDFC Bank Limited

FIG-OPS Department,
Lodha, I Think Techno Campus,
O-3 Level, Next to Kanjurnagar Railway Station, Kanjurnagar (E), Mumbai - 400042
Contact Person: Uday Dixit
Tel: +91 22 30752928, Fax: +91 22 25799801
Email: uday.dixit@hdfcbank.com, figdelhi@hdfcbank.com,
anchal.garg@hdfcbank.com ashish.ujjawal@hdfcbank.com
SEBI Registration: INBI00000063

CREDIT RATING AGENCIES

CRISIL Limited

CRISIL House, Central Avenue
Hiranandani Business Park, Powai, Mumbai 400 076, India.
Tel: +91 22 3342 3000, Fax: +91 22 3342 3050
Website: www.crisil.com
SEBI Registration Number: IN/CRA/001/1999

ICRA Limited

Building No. 8, 2nd Floor, Tower A,
DLF Cyber City, Phase- II,
Gurgaon 122 002, India
Tel: +91 124 4545 300, Fax: +91 124 4545 350
Website: www.icra.in
SEBI Registration Number: IN/CRA/003/1999

CREDIT ANALYSIS AND RESEARCH LIMITED

3rd Floor, B-47, Inner Circle, Connaught Place,
Near Plaza Cinema,
New Delhi – 110 001, India
Tel: +91 11 45333220
Facsimile: +91 11 4533238
Email: jasmeen.kaur@carerating.com
Website: www.careratings.com
Contact Person: Ms. Jasmeen Kaur
SEBI Registration No.: IN/CRA/004/1999

CONSORTIUM MEMBERS FOR MARKETING THE ISSUE

In addition to the Lead Managers to the Issue, the following are the Consortium Members for marketing of the Issue:

A.K. Stockmart Limited, Edelweiss Securities Limited.

For further details, please refer to section 'General Information' on page 21 of Prospectus - Tranche I.

TABLE OF CONTENTS	PAGE NO.
OBJECTS OF THE ISSUE	6
ISSUE PROCEDURE	6
TERMS OF PAYMENT	16
OTHER INSTRUCTIONS	24
DETAILS PERTAINING TO THE COMPANY	26
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT	28
RISK FACTORS	32
DECLARATION	34
CENTERS FOR AVAILABILITY AND ACCEPTANCE OF APPLICATION FORMS	35
LIST OF SELF CERTIFIED SYNDICATE BANKS(SCSBS) UNDER THE ASBA PROCESS	40

DISCLAIMER

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of Bonds pursuant to the Issue.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of Bonds pursuant to the Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Issue.

Applicants are advised to read the Shelf Prospectus and the relevant Tranche Prospectus filed with Registrar of Companies and the general instructions contained in this application form carefully and to satisfy themselves of the disclosures before making an application for subscription. Unless otherwise specified, all the terms used in this Application Form have the same meaning as in the Prospectus. For a copy of the Prospectus, the applicant may request us and/or the Lead Managers.

Further investors are advised to retain the copy of the Prospectus/Abridged Prospectus for their future reference. Please fill in the Form in English using BLOCK letters. Investors should carefully choose the Series of Bonds they wish to apply for. For details, please refer to section 'Terms of the Issue' on page 48 of the Prospectus Tranche -I.

OBJECTS OF THE ISSUE**1. Issue Proceeds**

The CBDT has by the CBDT Notification, authorised our Company to raise the Bonds aggregating to ₹ 5000 crores out of which our Company has already raised an amount of ₹ 1124.10 crores on a private placement basis through a disclosure document dated August 30, 2013. Our Company proposes to raise the balance amount of ₹ 3875.90 crores through a public issue of the Bonds in one or more tranches prior to March 31, 2014. The funds raised through this Issue will be utilised towards general lending operations of the Company and other associated business objectives and to discharge existing debt obligations which were generally undertaken for business operations

The main objects clause of the Memorandum of Association permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through the Issue. Further, in accordance with the SEBI Debt Regulations, our Company shall not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person who is a part of the same group as our Company or who is under the same management as our Company or any of our Subsidiaries. Our Company is a public sector enterprise and as such, there are no identifiable group companies or companies under the same management.

Further, the Company undertakes that Issue proceeds from the Bonds Allotted to banks shall not be used for any purpose which may be in contravention of the RBI guidelines on bank financing to NBFs including those relating to classification as capital market exposure or any other sectors that are prohibited under extant RBI regulations.

The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, among other things, by way of a lease, of any property.

2. Utilisation of Issue Proceeds

The funds raised through this Issue will be utilised towards general lending operations of the Company and other associated business objectives and to discharge existing debt obligations which were generally undertaken for business operations. Such utilisation of Issue Proceeds shall be in compliance with various guidelines/regulations/ clarifications issued by RBI, SEBI or any other statutory authority from time to time.

3. Interim use of Proceeds

The Board of Directors, in accordance with the policies formulated by them from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in accordance with the existing procedure, laid down by our Company.

4. Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Board of Directors of our Company shall ensure the utilisation of the proceeds of the Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing from April 1, 2013, the utilization of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Further, in accordance with the Debt Listing Agreement, our Company will furnish to the Designated Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the use of Issue proceeds and shall also publish the same in newspapers simultaneously with the half-yearly financial results. We shall utilize the proceeds of the Issue only upon execution of the documents for creation of security as stated in the section titled as "Terms of the Issue" on page 47 of the Prospectus Tranche - I and upon the listing of the Bonds.

We propose to issue Bonds to NRIs (on a non repatriable as well as repatriable basis), to FIIs, and to QFIs. Under Foreign Exchange Management (Borrowing and Lending in Rupees) Regulation, 2000 as amended from time to time. Monies received from non residents shall be used as per relevant regulations/guidelines/ clarifications by RBI from time to time.

To ensure compliance with the afore-mentioned our Company shall open and maintain separate escrow account with respect to non residents including NRIs, FIIs,

and QFIs i.e. Non Resident Escrow Account. All application monies received from non residents including NRIs, FIIs and QFIs shall be deposited in Non Resident Escrow Accounts to be maintained with one or more Escrow Collection Banks. Upon Allotment of Bonds, monies from Non Resident Escrow Accounts shall be transferred to separate Non Resident Public Issue Accounts which shall be different from Public Issue Account for Residents. Our Company shall ensure that any monies transferred to the Company's bank account from Non Resident Public Issue Accounts shall be utilized only in accordance with and subject to the restrictions contained in the Foreign Exchange Management (Borrowing and Lending in Rupee) Regulations, 2000, and various rules, regulations or clarification issued from time to time.

ISSUE PROCEDURE

This section applies to all Applicants. ASBA Applicants should note that the ASBA process involves application procedures that are different from the procedure applicable to all other Applicants. However, there is a common Application Form for all Applicants except FIIs, QFIs and NRIs for whom there will be separate Application Form. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.

ASBA Applicants should note that they may submit their ASBA Applications to the Members of the Syndicate or Trading Members only at the Syndicate ASBA Application Locations, or directly to the Designated Branches of the SCSBs. Applicants other than ASBA Applicants are required to submit their Applications to the Members of the Syndicate or Trading Members at the centres mentioned in the Application Form.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable law or as specified in the Shelf Prospectus and the Prospectus Tranche -I.

PLEASE NOTE THAT ALL TRADING MEMBERS WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY BSE WILL NEED TO APPROACH BSE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY BSE.

THE PROVISIONS CONTAINED IN THIS SECTION HAVE BEEN PREPARED ON THE BASIS OF CIRCULAR No. CIR/ IMD/DF-1/20/2012 DATED JULY 27 2012 ISSUED BY SEBI. THE FOLLOWING ISSUE PROCEDURE IS SUBJECT TO THE RELEVANT STOCK EXCHANGE PUTTING IN PLACE THE NECESSARY SYSTEMS AND INFRASTRUCTURE REQUIRED IN RELATION TO SUBMISSION OF DIRECT ONLINE APPLICATIONS THROUGH THE ONLINE PLATFORM AND ONLINE PAYMENT FACILITY TO BE OFFERED BY THE RELEVANT STOCK EXCHANGES AND ACCORDINGLY IS SUBJECT TO ANY FURTHER CLARIFICATIONS, NOTIFICATIONS, DIRECTIONS, INSTRUCTIONS AND/ OR CORRESPONDENCE THAT MAY BE ISSUED BY THE RELEVANT STOCK EXCHANGE AND/ OR SEBI. PLEASE NOTE THAT THE APPLICANTS WILL NOT HAVE THE OPTION TO APPLY FOR THE BONDS IN THE TRANCHE - I ISSUE THROUGH THE DIRECT ONLINE APPLICATION MECHANISM OF THE STOCK EXCHANGE(S).

FURTHER, PURSUANT TO THE LETTER DATED AUGUST 14, 2013, THE LEAD MANAGERS HAD SOUGHT DIRECTION/PERMISSION TO PROCEED WITH THE ALLOTMENT IN THE ISSUE BASED ON DATE OF UPLOAD OF EACH APPLICATION INTO THE ELECTRONIC BOOK OF THE STOCK EXCHANGE AND ACCORDINGLY SEBI VIDE ITS LETTER NO. IMD/DOF-1/BM/VA/OW/21120/2013 DATED AUGUST 23, 2013 HAS ADVISED THAT THE ALLOTMENT IN THE ISSUE SHOULD BE MADE ON THE BASIS OF DATE OF UPLOAD OF EACH APPLICATION INTO THE ELECTRONIC BOOK OF THE STOCK EXCHANGE. FURTHER, SEBI HAS ALSO ADVISED THAT ON THE DATE OF OVERSUBSCRIPTION, THE ALLOTMENTS SHOULD BE MADE TO THE APPLICANTS ON PROPORTIONATE BASIS.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITY OF SUCH TRADING MEMBERS IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY BSE. FURTHER, REGISTRAR SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS.

Please note that for the purpose of this section, the term “Working Day” shall mean all days excluding Sundays or a public holiday in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to the Issue Period, Interest Payment Date and Record Date, where Working Days shall mean all days, excluding Saturdays, Sundays and public holidays in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881.

PROCEDURE FOR APPLICATION

5. Availability of the Abridged Prospectus and Application Forms

Copies of the Abridged Prospectus containing the salient features of the Prospectus Tranche – I (for Tranche – I Issue) together with Application Forms and copies of the Prospectus Tranche – I (for Tranche – I Issue) may be obtained from our Registered Office, the Lead Managers, the Registrar, the Consortium Members and the Designated Branches of the SCSBs. Additionally the Prospectus Tranche – I (for Tranche – I Issue) and the Application Forms will be available:

- (i) for download on the websites of BSE at www.bseindia.com, and the websites of the Lead Managers at www.icicisecurities.com, www.akcapindia.com, www.axiscapital.co.in, and www.edelweissfn.com.
- (ii) at the designated branches of the SCSB and the Members of the Syndicate at the Syndicate ASBA Application Locations.

Electronic Application Forms will also be available on the website of BSE. Further, Application Forms will also be provided to Trading Members at their request.

Please note that there is a single Application Form for ASBA Applicants as well as non-ASBA Applicants who are persons resident in India. There is a separate Application Form for Applicants (ASBA Applicants and non-ASBA Applicants) who are FIIs, QFIs and Eligible NRIs applying for Bonds on repatriation or a non-repatriation basis.

The prescribed colour of the Application Form for the Applicants is as follows:

Category	Colour of the Application Form
Resident Indians - ASBA Applicants as well as non-ASBA Applicants	White
FIIs, QFIs and Eligible NRIs (applying on a repatriation as well as non repatriation basis) and any other non-resident Applicant across all Categories - ASBA Applicants as well as non-ASBA Applicants	Blue

6. Who are eligible to apply for Bonds?

The following categories of persons are eligible to apply in the Issue.

Qualified Institutional Buyers as defined in SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended including:

- Foreign Institutional Investors and sub-accounts (other than a sub account which is a foreign corporate or foreign individual) registered with SEBI including Sovereign Wealth Funds, Pension and Gratuity Funds registered with SEBI as FIIs;
- Public Financial Institutions, scheduled commercial banks, multilateral and bilateral development financial institutions, state industrial development corporations, which are authorised to invest in the Bonds;
- Provident funds and pension funds with minimum corpus of ₹ 25 crores, which are authorised to invest in the Bonds;
- Insurance companies registered with the IRDA;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;

- Insurance funds set up and managed by the army, navy or air force of the Union of India or set up and managed by the Department of Posts, India;
- Mutual funds registered with SEBI; and
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

Category II*

- Companies within the meaning of clause 20 section 2 of the Companies Act, 2013;
- Statutory bodies/corporations;
- Cooperative banks;
- Trusts including Public/ private charitable/religious trusts;
- Limited liability partnership;
- Regional rural banks;
- Partnership firms;
- QFIs not being an individual;
- Association of Persons;
- Societies registered under the applicable law in India and authorized to invest in Bonds; and
- Any other legal entities authorised to invest in the Bonds, subject to compliance with the relevant regulations applicable to such entities.

**With regard to Section 372A(3) of the Companies Act, 1956, kindly refer to Ministry of Corporate Affairs, GoI, General Circular No. 6/ 2013, dated March 14, 2013 which clarifies that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the yield on the prevailing bank rate, there is no violation of Section 372A(3) of the Companies Act, 1956.*

Category III

- Resident Indian individuals, Non Resident Indians on repatriation as well as non repatriation basis, Hindu Undivided Families through the Karta and QFIs being an individual applying for Bonds aggregating to a value exceeding ₹ 10,00,000, across all Series of Bonds in each Tranche Issue.

Category IV

- Resident Indian individuals Non Resident Indians on repatriation as well as non repatriation basis, Hindu Undivided Families through the Karta and QFIs being an individual applying for Bonds aggregating upto and including ₹ 10,00,000, across all Series of Bonds in each Tranche Issue.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

An eligible FII, QFI and NRI is not (i) based in the United States of America (“USA”), and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of Bonds pursuant to the Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus Tranche – I.

7. Who are not eligible to apply for Bonds?

- a) Minors without a guardian name (A guardian may apply on behalf of a minor. However, the name of the guardian will need to be mentioned on the Application Form);

- b) Foreign nationals, other than QFIs and except as may be permissible under CBDT Notification or under applicable law including but not limited to regulations, circulars, guidelines etc. stipulated by RBI and/or SEBI;
- c) Non-Resident Indians/FIIs/QFIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- d) Overseas Corporate Bodies;
- e) Venture Capital Funds;
- f) Foreign Venture Capital Funds;
- g) Persons ineligible to contract under applicable statutory/ regulatory requirements; and
- h) Any category of investor other than the Investors mentioned under Categories I, II, III and IV.

In case of Applications for Allotment of the Bonds in dematerialised form, the Registrar shall verify the above and the Categories on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of BSE by the Members of the Syndicate or the Trading Members, as the case may be.

The concept of OCBs (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.

The Bonds have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Bonds have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof.

Each other purchaser of the Bonds will be required to represent and agree, among other things, that (i) such purchaser is a non-U.S. person acquiring the Bonds in an "offshore transaction" in accordance with Regulation S, and (ii) any reoffer, resale, pledge or transfer of the Bonds by such purchaser will not be made to a person in the United States or to a person known by the undersigned to be a U.S. Person, in each case in accordance with all applicable securities laws.

No offer to the public (as defined under Directive 2003/71/EC, together with any amendments and implementing measures thereto, the "Prospectus Directive") has been or will be made in respect of the Issue or otherwise in respect of the Bonds, in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue or otherwise in respect of the Bonds.

METHODS OF APPLICATION

An eligible investor desirous of applying in the Issue can make Applications by one of the following methods:

1. Applications through the ASBA process; and
2. Non-ASBA Applications.

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of their debt securities with an online payment facility ("Direct Online Application Mechanism"). In this regard, SEBI has, through the Debt Application Circular, directed recognized stock exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism.

Please note that the Applicants will not have the option to apply for Bonds under the Issue, through the direct online applications mechanism of the Stock Exchange. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Issue.

8. Applications through the ASBA process

Applicants can submit their Applications through the ASBA process by submitting the Application Forms to the SCSB with whom the ASBA Account is maintained or through the Members of the Syndicate or Trading Members (ASBA Applications through the Members of the Syndicate and Trading Members shall hereinafter be referred to as the "Syndicate ASBA"), prior to or on the Issue Closing Date. In the event that an SCSB offers such facility, an ASBA Applicant may submit an ASBA Application either through an internet banking facility made available with such SCSB, or such other electronically enabled mechanism for Application and blocking funds in the ASBA Account held with such SCSB, and accordingly registering such ASBA Applications.

ASBA Applications through the Members of the Syndicate and Trading Members is permitted only at the Syndicate ASBA Application Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodra and Surat). Kindly note that Application Forms submitted by ASBA Applicants to Members of the Syndicate and the Trading Members at the Syndicate ASBA Application Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Member of the Syndicate or the Trading Members to deposit the Application Form (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

Members of the Syndicate and Trading Members shall, upon receipt of Application Forms from ASBA Applicants, upload the details of these Application Forms to the online platform of BSE and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained in accordance with the Debt Application Circular. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected.

In case an ASBA Applicant submits the Application Form at a Designated Branch of an SCSB, such Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic Application platform of the BSE. If sufficient funds are not available in the ASBA Account, such Designated Branch shall reject the ASBA Application and not upload the ASBA Application in the electronic Application Platform of the BSE. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic Application platform of the BSE. The Designated Branch of the SCSBs shall also stamp the Application Form.

ASBA Applications in electronic mode will only be available with such SCSBs who provide such an electronic facility. In case of ASBA Applications in such electronic form, the ASBA Applicant shall submit the Application Form with instruction to block the Application Amount either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA Account held with SCSB, as would be made available by the concerned SCSB.

The Registrar shall match the Application details as received from the electronic Application platform of BSE with the Application Amount details received from the SCSBs for reconciliation of funds blocked by the SCSBs. In case of discrepancies between the two data bases, the details received from the electronic Application platform of BSE will prevail.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

accepted by SCSBs and Trading Members, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Trading Members in relation to the Issue should be made by Applicants directly to BSE.

Please note that you cannot apply for the Bonds through the ASBA process if you wish to be Allotted the Bonds in physical form.

9. Non-ASBA Applications

(i) Non- ASBA Applications for Allotment of the Bonds in dematerialised form

Applicants may submit duly filled in Application Forms either in physical or downloaded Application Forms to the Members of the Syndicate or the Trading Members accompanied by account payee cheques/ demand drafts prior to or on the Issue Closing Date. The Members of the Syndicate and Trading Members shall, upload the non-ASBA Application on the online platform of BSE, following which they shall acknowledge the uploading of the Application Form by stamping the acknowledgment slip with the date and returning it to the Applicant. This acknowledgment slip shall serve as the duplicate of the Application Form for the records of the Applicant and the Applicant should preserve this and should provide the same for any grievances relating to their Applications.

Upon uploading the Application on the online platform of BSE, the Members of the Syndicate and Trading Members will submit the Application Forms, along with the payment instruments to the Escrow Collection Banks, which will realise the payment instrument, and send the Application details to the Registrar. The Members of the Syndicate/ Trading Members are requested to note that all payment instruments are required to be banked with only the designated branches of Escrow Collection Banks, as provided on the website of the of BSE at www.bseindia.com. Accordingly, Applicants are requested to note that they must submit Application Forms to Trading Members who are located in towns/ cities which have at least one banking branch of the Escrow Collection Banks. The Registrar shall match the Application details as received from the online platform of BSE with the Application Amount details received from the Escrow Collection Banks for reconciliation of funds received from the Escrow Collection Banks. In case of discrepancies between the two data bases, the details received from the online platform of BSE will prevail. Upon Allotment, the Registrar will credit the Bonds in the demat accounts of the successful Applicants as mentioned in the Application Form.

Please note that neither our Company, nor the Members of the Syndicate, nor the Registrar shall be responsible for redressal of any grievances that Applicants may have in regard to the non-ASBA Applications made to the Trading Members, including, without limitation, relating to non-upload of the Applications data. All grievances against Trading Members in relation to the Issue should be made by Applicants to the relevant Stock Exchange.

(ii) Non- ASBA Applications for Allotment of the Bonds in physical form

Applicants can also apply for Allotment of the Bonds in physical form by submitting duly filled in Application Forms to the Members of the Syndicate or the Trading Members, along with the accompanying account payee cheques or demand drafts representing the full Application Amount and KYC documents as specified in the sections titled "Issue Procedure – Applications by various Applicant Categories" and "Issue Procedure - Additional instructions specific for Applicants seeking Allotment of the Bonds in physical form" at pages 65 and 79, of the Prospectus Tranche - I respectively. The Members of the Syndicate and Trading Members shall, upon submission of the Application Forms to them, verify and check the KYC documents submitted by such Applicants and upload details of the Application on the online platform of BSE, following which they shall acknowledge the uploading of the Application Form by stamping the acknowledgment slip with the date and returning it to the Applicant. This acknowledgment slip shall serve as the duplicate of the Application Form for the records of the Applicant and the Applicant shall preserve this and should provide the same for any queries relating to non-Allotment of Bonds in the Issue.

Upon uploading of the Application details, the Members of the Syndicate and Trading Members will submit the Application Forms, along with the payment instruments to the Escrow Collection Banks, which will realise the payment instrument, and send the Application Form and the KYC documents to the Registrar, who shall

check the KYC documents submitted and match Application details as received from the online platform of BSE with the Application Amount details received from the Escrow Collection Banks for reconciliation of funds received from the Escrow Collection Banks. In case of discrepancies between the two data bases, the details received from the online platform of BSE will prevail. The Members of the Syndicate/ Trading Members are requested to note that all Applications are required to be banked with only the designated branches of Escrow Collection Banks, as provided on the website of the of the BSE at www.bseindia.com. Upon Allotment, the Registrar will dispatch Bond Certificates to the successful Applicants to their addresses as provided in the Application Form. **Please note that, in the event that KYC documents of an Applicant are not in order, the Registrar will withhold the dispatch of Bond Certificates pending receipt of complete KYC documents from such Applicant. In such circumstances, successful Applicants should provide complete KYC documents to the Registrar at the earliest.**

Please note that in such an event, any delay by the Applicant to provide complete KYC documents to the Registrar will be at the Applicant's sole risk and neither our Company, the Registrar, the Escrow Collection Banks, or the Members of the Syndicate, will be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest on the Application Amounts for such period during which the Bond Certificates are withheld by the Registrar. Further, our Company will not be liable for any delays in payment of interest on the Bonds allotted to such Applicants, and will not be liable to compensate such Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay in payment of interest on the Bonds.

Members of the Syndicate or Trading Members are also required to ensure that the Applicants are competent to contract under the Indian Contract Act, 1872 including minors applying through guardians, at the time of acceptance of the Application Forms.

To supplement the foregoing, the mode and manner of Application and submission of Application Forms is illustrated in the following chart.

Mode of Application	To whom the Application Form has to be submitted
ASBA Applications	If using a physical Application Form: (i) to the Members of the Syndicate only at the Syndicate ASBA Application Locations; or (ii) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (iii) to Trading Members only at the Syndicate ASBA Application Locations. If using an electronic Application Form (in the event the SCSBs offer such facility), electronically through an internet banking facility, where the ASBA Accounts are maintained.
Non- ASBA Applications	(i) to the Members of the Syndicate; or (ii) to Trading Members.

Application Size

Applications are required to be for a minimum of five Bonds across all Series of Bonds and multiples of one Bond thereafter.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

10. Applications by Mutual Funds

A mutual fund scheme cannot invest more than 15.00% of its NAV in debt instruments issued by a single company which are rated not below investment grade by a credit rating agency authorised to carry out such activity. Such investment limit may be extended to 20.00% of the NAV of the scheme with the prior approval of the board of trustees and the board of asset management company.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Applications Forms by a mutual fund registered with SEBI must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized

signatories. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

11. Application by Scheduled Banks

Scheduled Banks can apply in this Issue based upon their own investment limits and approvals. Applications for Allotment of the Bonds by them must be accompanied by certified true copies of (i) a board resolution authorising investments; and (ii) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

12. Applications by NRIs*

We propose to issue Bonds to NRIs on a repatriable as well as non-repatriable basis. NRI applicants should note that only such applications as are accompanied by payment in Indian Rupees only shall be considered for Allotment. An NRI can apply for Bonds offered in the Issue subject to the conditions and restrictions contained in the FEMA (Borrowing or Lending in Rupees) Regulations, 2000, and other applicable statutory and/or regulatory requirements including the interest rate requirement as provided in the CBDT Notification. Allotment of Bonds to NRIs shall be subject to the application monies paid by the NRI as described below:

1. In case of NRIs applying under repatriation basis: If it is received either by inward remittance of freely convertible foreign exchange through normal banking channels i.e. through rupee denominated demand drafts/cheque drawn on a bank in India or by transfer of funds held in the investor's rupee denominated accounts i.e. Non-resident External (NRE)/FCNR/any other permissible account in accordance with FEMA maintained with a RBI authorised dealer or a RBI authorised bank in India.
2. In case of NRIs applying under non-repatriation basis- If it is received either by inward remittance of freely convertible foreign exchange through normal banking channels i.e. through rupee denominated demand drafts/cheque drawn on a bank in India or by transfer of funds held in the investor's rupee denominated accounts i.e.. Non-resident Ordinary (NRO) account or Non Resident External (NRE)/FCNR or any other permissible account in accordance with FEMA maintained with a RBI authorised dealer or a RBI authorised bank in India. We confirm that:
 - i) the rate of interest on each series of Bonds does not exceed the prime lending rate of the State Bank of India as on the date on which the resolution approving the Issue was passed by our Board, plus 300 basis points;
 - ii) the period for redemption of each series of Bonds is not less than 3 years;
 - iii) Our Company does not and shall not carry on agricultural/plantation/real estate business/Trading in Transferable Development Rights (TDRs) and does not and shall not act as Nidhi or Chit Fund company;
 - iv) We will file the following with the nearest office of the Reserve Bank, not later than 30 days from the date –
 - A. of receipt of remittance of consideration received from NRIs in connection with the Issue, full details of the remittances received, namely;
 - a) a list containing names and addresses of each NRI applicant who have remitted funds for investment in the Bonds on non-repatriation basis and repatriation basis,
 - b) amount and date of receipt of remittance and its rupee equivalent; and
 - c) names and addresses of authorised dealers through whom the remittance has been received; The application money for the Bonds has to be paid in cheque or demand drafts only, in rupee denominated currency only; and
 - B. of closure of the Issue, full details of the monies received from NRI applicants, namely;
 - a) a list containing names and addresses of each NRI allottee and number of Bonds issued to each of them on non-repatriation basis and repatriation basis, and
 - b) a certificate from our compliance officer that all provisions of the FEMA Act, and rules and regulations made thereunder in connection with the issue of nonconvertible debentures have been duly complied with.

Applications by eligible NRIs (applying either on a repatriation or a non – repatriation basis) should be accompanied by (i) a bank certificate confirming that the demand draft in lieu of the Application Money has been drawn on an NRE account; and (ii) if such eligible NRI is a Person of Indian Origin (“PIO”), a PIO card.

13. Application by FIIs*

An FII who purchases the Bonds under this Issue shall make the payment for purchase of such securities either by inward remittance through normal banking channels or out of funds held in Foreign Currency Account or Non-resident Rupee Account maintained by such FII with a designated branch of an authorized dealer in terms of the applicable regulations governing the same.

Applications by FIIs for Allotment of the Bonds in physical form must be accompanied by certified true copies of (i) its SEBI registration certificate; (ii) an inward remittance certificate; (iii) a resolution authorising investment in the Bonds; and (iii) specimen signatures of authorised persons.

As per the SEBI Circular dated August 26, 2011 bearing reference No. CIR/IMD/FIIC/15/2011, NBFCs registered as Infrastructure Finance Companies (IFCs) with RBI have been allowed as eligible as issuers for FII investment in debt instruments for infrastructure. Further the same has been replicated by RBI vide various circulars enabling FII investment in long term corporate debt issued by IFCs. Schedule 5 of RBI Notification No. FEMA 20/ 2000 – RB dated 3rd May 2000 provides for the permission to FIIs for purchase on repatriation basis, bonds /non convertible debentures issued by an Indian company either directly from the issuer or through a registered stock broker on a recognised stock exchange in India. Further, as per the RBI circular dated March 1, 2012 bearing reference No. RBI/2011-12/423 A.P. (DIR Series) Circular No 89. it has been decided that SEBI registered FII/ sub accounts of FIIs can now invest in primary issues of non-convertible debentures (NCDs)/ bonds only if listing of such bonds is committed to be done in 15 days of such investment i.e. Deemed Date of Allotment. In case the NCDs/ bonds issued to the SEBI Registered FIIs/ sub accounts of FIIs is not listed within 15 days of issuance i.e. Deemed Date of Allotment for any reason, then the FII/ sub account shall immediately dispose of these bonds/ NCDs either by way of sale to a third party or to the Issuer and the Issuer shall immediately redeem/ buyback the said securities from the FIIs/ sub accounts of FIIs in such eventuality.

Further, FII investment into the present Bond issue will be restricted by various SEBI and RBI circulars providing for corporate debt limit. More particularly, SEBI circular bearing reference No. CIR/IMD/FIIC/6/2013, dated April 1, 2013 provides that the following categories of debt limits shall be merged into a single category named ‘Corporate Debt’:

- a) Corporate Debt – Old for FIIs (US\$ 20 billion)
- b) Corporate Debt – Old for QFIs (US\$ 1 billion)
- c) Corporate Debt – Long Term (US\$ 5 billion)
- d) Corporate Debt Long Term Infra (US\$ 12 billion)
- e) QFI investment in debt mutual fund schemes which invest in infra (US\$ 3 billion)
- f) Investment in IDF(US\$ 10 billion)

The combined limit for this ‘Corporate Debt’ category would be US\$ 51 billion

The table summarizing the categories of debt investment limits is as follows:

S. No.	Type of Instrument	Cap (US\$ bn)	Eligible Investors	Remarks
1	Government Debt	25	FIIs and QFIs	Eligible investors may invest in Treasury Bills only up to US\$ 5.5 billion within the limit of US\$ 25 billion
2	Corporate Debt	51	FIIs and QFIs	Eligible investors may invest in Commercial Papers only up to US\$ 3.5 billion within the limit of US\$ 51 billion

The Reserve Bank of India vide circular RBI/2012-13/391, dated January 24, 2013, had enhanced the limit for investment by FIIs in the Government Debt Long Term category by US\$ 5 billion to US\$ 15 billion and the Corporate non-infrastructure debt category by US\$ 5 billion. In terms of the aforesaid RBI circular, the changes are summarized below:

- a) In the Government Debt Long Term category, the provision regarding 3 years residual maturity at the time of first purchase shall no longer be applicable. However, within this category, FIIs shall not be allowed to invest in short term paper like treasury bills.
 - b) In terms of the aforesaid circular, the limit of US\$ 5 billion in the Corporate Non- Infrastructure Debt category shall not be available for investment in Certificate of Deposits (CD) and Commercial Papers (CP). Investments in Certificate of Deposits are not permitted within the limit of US\$ 20 billion.
 - c) The US \$ 1 billion limit for QFIs shall continue to be over and above the revised limit of US\$ 25 billion available for FII investment in Corporate non-infrastructure debt category.
 - d) For the US\$ 12 billion sub-category for investment in Corporate Long Term Infra bonds the following changes have been made :
 - (i) The restriction of 1 year lock-in period has been removed.
 - (ii) The 5 year initial maturity restriction has been removed

At the time of first purchase by FIIs, the residual maturity shall be 15 months.
 - e) For the sub-category of US\$ 10 billion reserved for FII investments in Infrastructure Debt Funds (IDFs), the restriction of 1 year lock-in has been removed. The requirement of residual maturity of 15 months at the time of first purchase remains unchanged.
 - f) Vide circular CIR/IMD/FII&C/18/2012 dated July 20, 2012, SEBI had permitted QFIs to invest in those debt mutual fund schemes that hold at least 25 percent of their assets (either in debt or equity or both) in the infrastructure sector under the US\$ 3 billion investment limit for debt mutual fund schemes. These schemes were required to invest in infrastructure debt having a minimum residual maturity of 5 years. This restriction of 5 years residual maturity has been removed while the restriction of 3 years initial maturity has been introduced.
3. All the above changes in lock-in , initial maturity and residual maturity requirements shall apply for investments by FIIs and Sub-Accounts in debt securities to be made after the date of this circular.

14. Application by QFIs*

Pursuant to a circular dated July 16, 2012, the RBI has permitted Eligible QFIs to invest in "to be listed" corporate bonds of Indian companies directly from the Issuer, through QFIs DP on a repatriation basis subject to certain terms and conditions. Furthermore, in terms of the SEBI circular dated July 18, 2012 Eligible QFIs have been permitted to invest in corporate bonds of Indian companies, which are offered to the public in India in accordance with the Companies Act, provided that, listing is committed to be done within 15 days from such investment.

Eligible QFIs are permitted to invest in corporate debt securities (without lock-in or residual maturity clauses) and mutual fund schemes up to an overall limit of USD 1 billion, over and above the FII limits for investment in corporate debt. These limits are modified and allocated in the manner specified in terms of the SEBI circular dated July 18, 2012.

Eligible QFIs shall open a single non interest bearing Rupee account with an AD category-I bank in India for routing the payment for transactions relating to purchase and sale of corporate debt instruments (including investment in equity shares in public issues) subject to the conditions as may be prescribed by the RBI from time to time. This account shall be funded by inward remittance through normal banking channels in any permitted currency (freely convertible) and shall be operated by the QFIs DP. Further, Eligible QFIs are required to open a single demat account with a QFIs DP for investment in eligible corporate debt instruments.

Eligible QFIs who wish to participate in the Issue are required to submit the Application Form meant for Non-Residents in the Issue. Eligible QFIs are not permitted to issue off-shore derivative instruments or participatory notes.

**The Issuer does not make any representations and does not guarantee eligibility of any FII, or QFI or NRI for investment into the Issue on repatriation or non repatriation basis. All FIIs, QFIs shall verify their eligibility and ensure compliance with all relevant and applicable RBI - FEMA notifications and guidelines as well as all relevant and applicable SEBI guidelines, notifications and circulars pertaining to their eligibility to invest in the issue at the stage of investment in every tranche, at the time of remittance of their investment proceeds as well as at the time of disposal*

of the Bonds; including but not limited to SEBI Circular dated April 1, 2013 Bearing reference No: CIR/IMD/FIIC/6/2013, SEBI Circular dated February 8, 2013, bearing reference No. CIR/IMD/FIIC/3/2013RBI Circular dated January 24, 2013, bearing reference No. RBI/2012-13/391, RBI Notification No. FEMA 20/ 2000 – RB dated 3rd May 2000 . The Issuer will not check or confirm eligibility of such investments into the Issue.

15. Application by Insurance Companies

In case of Applications made by an Insurance Company, a certified copy of its certificate of registration issued by IRDA must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) its Memorandum and Articles of Association; (ii) a power of attorney (iii) a resolution authorising investment and containing operating instructions; and (iv) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

16. Applications by Alternative Investments Funds

Applications made by an Alternative Investments Fund eligible to invest in accordance with the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012, for Allotment of the Bonds must be accompanied by certified true copies of: (i) the SEBI registration certificate of such Alternative Investment Fund; (i) a resolution authorising the investment and containing operating instructions; and (ii) specimen signatures of authorised persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason thereof.

Alternative Investment Funds applying for Allotment of the Bonds shall at all time comply with the conditions for categories as per their SEBI registration certificate and the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012.

17. Applications by Public Financial Institutions which are authorized to invest in the Bonds

Applications by Public Financial Institutions for Allotment of the Bonds must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

18. Applications made by companies and bodies corporate/statutory bodies incorporated under applicable laws in India

Applications made by companies and bodies corporate for Allotment of the Bonds must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

19. Applications made by Regional Rural Banks and Cooperative Banks under applicable laws in India

Applications made by for Allotment of the Bonds must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) certificate of registration/ incorporation (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

20. Applications made by Trusts including private/public charitable and religious trust,

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) Power of Attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements.

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor. Further, any trusts applying for Bonds pursuant to the Issue must ensure that (a) they are authorised under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in bonds, (b) they have obtained all necessary approvals, consents or other authorizations, which may be required under applicable statutory and/or regulatory requirements to invest in bonds, and (c) applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

21. Applications by provident funds and pension funds authorized to invest in the Bonds

Applications by provident funds and pension funds which are authorised to invest in the Bonds for Allotment of the Bonds must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (iii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

22. Applications by National Investment Funds

Application made by a National Invest Fund for Allotment of the Bonds must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason therefor.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

23. Instructions for completing the Application Form

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus Tranche – I and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Members of the Syndicate, or the Trading Members, the Escrow Collection Banks and the designated branches of the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such Bonds and in multiples of such Bonds thereafter as specified in the Prospectus Tranche – I.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialized form) and Applications should be made by Karta in case the Applicant is an HUF.
- (f) Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of BSE by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the Bonds.
- (g) ASBA Applicants utilising physical Application Forms must ensure that the Application Forms are completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus Tranche – I and in the Application Form.

- (h) If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (i) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (j) Applications for all the Series of the Bonds may be made in a single Application Form only.
- (k) All Applicants are required to tick the relevant box of the "Mode of Application" in the Application Form, choosing either the ASBA or Non-ASBA mechanism.
- (l) It shall be mandatory for subscribers to the Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction.
- (m) Where minor applicant is applying through guardian, it shall be mandatory to mention the PAN of the minor in the Application.

We shall allocate and Allot Bonds of Tranche I Series 1 A/1 B to all successful Applications, wherein the Applicants have not indicated their choice of the relevant Series applied for.

24. Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE BONDS IN DEMATERIALISED FORM SHOULD MENTION THEIR DP ID, CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM MAY CONTAIN THE NAME AND PAN OF THE FIRST HOLDER OF THE BENEFICIARY ACCOUNT AND SIGNATURE OF ONLY THIS FIRST PERSON WOULD BE REQUIRED IN THE APPLICATION FORM. THIS APPLICANT WOULD BE DEEMED TO HAVE SIGNED ON BEHALF OF JOINTHOLDERS AND WOULD BE ASSUMED TO HAVE GIVEN CONFIRMATION TO THIS EFFECT IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID and PAN provided by them in the Application Form, the Registrar will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds (for non-ASBA Applicants), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Syndicate nor the Trading Members, nor the Registrar, nor the Escrow Collection Banks, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants applying for Allotment of the Bonds in dematerialized form may note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of BSE by the Members of the Syndicate, the Trading Members or the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, and the Members of the Syndicate shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar except in relation to the Issue.

By signing the Application Form, Applicants applying for the Bonds in dematerialised form would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Refund orders/ Allotment Advice would be mailed at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may

note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Escrow Collection Banks, Registrar nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Prospectus Tranche – I, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund orders/Allotment Advice, the Demographic Details obtained from the Depository of the Applicant shall be used.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Applications are liable to be rejected.

25. Electronic registration of Applications

- (a) The Members of the Syndicate, SCSBs and Trading Members will register the Applications using the on-line facilities of BSE. The Lead Managers, our Company, and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs and Trading Members, (ii) the Applications uploaded by the SCSBs and the Trading Members, (iii) the Applications accepted but not uploaded by the SCSBs or the Trading Members, (iv) ASBA Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) ASBA Applications accepted and uploaded by Members of the Syndicate at the Syndicate ASBA Application Locations for which the Application Amounts are not blocked by the SCSBs.
- (b) BSE will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of the Members of the Syndicate, Trading Members and their authorised agents and the SCSBs during the Issue Period. On the Issue Closing Date, the Members of the Syndicate, Trading Members and the Designated Branches shall upload Applications till such time as may be permitted by BSE. This information will be available with the Members of the Syndicate and Trading Members on a regular basis. Applicants are cautioned that a high inflow of Applications on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for Allotment.
- (c) Based on the aggregate demand for Applications registered on the electronic facilities of BSE, a graphical representation of consolidated demand for the Bonds, as available on the websites of BSE, would be made available at the Application centres as provided in the Application Form during the Issue Period.
- (d) At the time of registering each Application, SCSBs, the Members of the Syndicate and Trading Members, as the case may be, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Series(s) of Bonds applied, Application Amounts, details of payment instruments (for non – ASBA Applications) and any other details that may be prescribed by the online uploading platform of BSE.
- (e) A system generated TRS will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the TRS from the SCSBs, Members of the Syndicate or the Trading Members, as the case may be. The registration of the Applications by the SCSBs, Members of the Syndicate or Trading Members does not guarantee that the Bonds shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (f) The permission given by BSE to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the

financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus Tranche – I; nor does it warrant that the Bonds will be listed or will continue to be listed on the Designated Stock Exchange.

- (g) In case of apparent data entry error by either the Members of the Syndicate or the Trading Members, in entering the Application Form number in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to BSE.
- (h) Only Applications that are uploaded on the online system of BSE shall be considered for Allotment.

26. Permanent Account Number

It shall be mandatory for subscribers to the Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. Where minor applicant is applying through guardian, it shall be mandatory to mention the PAN of the minor in the Application.

27. Joint Applications

Applications may be made in single or joint names (not exceeding three). If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be assumed to have given confirmation to this effect in the Application Form.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

28. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the Bonds for the same or different Series of Bonds, subject to a minimum Application size of ₹ 5000 (5 bonds, across all Series of Bonds) and in multiples of ₹ 1000 thereafter (for all the Series of Bonds), for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, multiple Applications by the same Applicant belonging to Category IV aggregating to a value exceeding ₹ 10,00,000 shall be grouped in Category III, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be a multiple Application.

29. Applications under a power of attorney

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

30. DO'S AND DONT'S

Applicants are advised to take note of the following while filing and submitting the application form.

Do's

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the Application Form;
- If the Allotment of the Bonds is sought in dematerialized form, ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta;
- Ensure that Applications are submitted to the Members of the Syndicate, Trading Members or the Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date;
- Ensure that the Application Forms (for non-ASBA Applicants) are submitted at the collection centres provided in the Application Forms, bearing the stamp of a Member of the Syndicate or a Trading Members of the relevant Stock Exchange, as the case may be;
- Ensure that the Applicant's names (for Applications for the Bonds in dematerialised form) given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form for ASBA Applications;
- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. In case of Applications for Allotment in physical form, Applicants should submit a self-certified copy of their PAN card as part of the KYC documents. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
- Ensure that the Demographic Details (for Applications for the Bonds in dematerialised form) as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive a TRS for all your Applications and an acknowledgement as a proof of having been accepted;
- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice no. 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the Bonds;
- Ensure that thumb impression/signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- **Applicants (other than ASBA Applicants) are requested to write their names and Application number on the reverse of the instruments by which the payments are made;**

- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
- Tick the Series of Bonds in the Application Form that you wish to apply for.

Don'ts

- Do not apply for lower than the minimum Application size;
- Do not pay the Application amount in cash, by money order, postal order, stock invest;
- Do not send the Application Forms by post; instead submit the same to the Members of the Syndicate, SCSBs and Trading Members (as the case may be) only;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not submit the Application Form directly to the Escrow Collection Banks/Bankers to the Issue;
- Do not fill up the Application Form such that the Bonds applied for exceeds the Issue size and/or investment limit or maximum number of Bonds that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not submit an Application in case you are not eligible to acquire the Bonds under applicable law or your relevant constitutional documents or otherwise;
- Do not submit the Application Forms without the Application Amount; and
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

31. Additional instructions specific for ASBA Applicants

Do's

- Before submitting the physical Application Form with the Member of the Syndicate at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- Ensure that you tick the ASBA option in the Application Form and give the correct details of your ASBA Account including bank account number/ bank name and branch;
- For ASBA Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Members of the Syndicate at the Syndicate ASBA Application Locations and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company, the Registrar or Trading Members;
- For ASBA Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company, the Registrar or the Members of the Syndicate or Trading Members.
- Ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch, or to the Members of the Syndicate at the Syndicate ASBA Application Locations, or to the Trading Members, as the case may be;
- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB *via* the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form; and

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

- Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Syndicate, or the Trading Member, as the case may be, for the submission of the Application Form.

Don'ts

- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts ;
- Do not submit the Application Form with a Member of the Syndicate at a location other than the Syndicate ASBA Application Locations;
- Do not send your physical Application Form by post. Instead submit the same with a Designated Branch or a member of the Syndicate at the Syndicate ASBA Application Locations, or a Trading Member, as the case may be; and
- Do not submit more than five Application Forms per ASBA Account.

Applications shall be accepted only during banking hours, or such extended time as may be permitted by the BSE during the Issue Period, at the collection centres or with the Members of the Syndicate at the Syndicate ASBA Application Locations and the designated branches of SCSBs as mentioned on the Application Form. On the Issue Closing Date, Applications shall be accepted only between 10:00 a.m. and 3:00 p.m. and shall be uploaded until 5:00 p.m. or such extended time as may be permitted by the BSE. It is clarified that the Applications not uploaded in the electronic application system of the BSE would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. on the Issue Closing Date. All times mentioned in the Prospectus Tranche – I are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Members of the Syndicate or Trading Members are liable for any failure in uploading the Applications due to failure in any software/hardware system or otherwise.

32. Additional instructions specific for Applicants seeking Allotment of the Bonds in physical form

Any Applicant except QFIs who wishes to subscribe to the Bonds in physical form shall undertake the following steps:

- **Please complete the Application Form in all respects, by providing all the information including PAN and Demographic Details. However, do not provide the Depository Participant details in the Application Form.** The requirement for providing Depository Participant details shall be mandatory only for the Applicants who wish to subscribe to the Bonds in dematerialised form.

For Resident Applicants:

- Please provide the following documents along with the Application Form, in addition to the documents mentioned in 'Consolidated List Of Documents Required For Various Categories' on page 81 of the Prospectus Tranche-I.
 - (a) Self-attested copy of the PAN card;
 - (b) Self-attested copy of your proof of residence. Any of the following documents shall be considered as a verifiable proof of residence:
 - ration card issued by the GoI; or
 - valid driving license issued by any transport authority of the Republic of India; or
 - electricity bill (not older than three months); or
 - landline telephone bill (not older than three months); or
 - valid passport issued by the GoI; or
 - voter's identity card issued by the GoI; or
 - passbook or latest bank statement issued by a bank operating in India; or

- registered leave and license agreement or agreement for sale or rent agreement or flat maintenance bill; or
- Aadhaar letter issued by the Unique Identification Authority of India (UIDAI).
- Self-attested copy of a cancelled cheque of the bank account to which the amounts pertaining to payment of refunds, interest and redemption, as applicable, should be credited.

In absence of the cancelled cheque, our Company may reject the Application or it may consider the bank details as given on the Application Form at its sole discretion. In such case the Company, Lead Managers and Registrar shall not be liable for any delays/ errors in payment of refund and/ or interest.

For Non-Resident Applicant:

Self-attested copies of the following documents are required to be submitted by the Applicants as KYC Documents as may be applicable on a particular category of Investor, in addition to the documents mentioned in 'Consolidated List Of Documents Required For Various Categories' on page 81 of the Prospectus Tranche-I.

1. PAN Card (required for all categories);
2. SEBI Registration Certificate;
3. An inward remittance certificate;
4. A resolution authorizing investment in the Bonds;
5. Specimen Signatures of Authorized persons;
6. A certificate from the issuing bank confirming that the demand draft has been drawn on an NRE/ NRO/ FCNR/ NRSR account; and
7. A PIO Card (if the Eligible NRI is a PIO)
8. Self-attested copy of a cancelled cheque of the bank account to which the amounts pertaining to payment of refunds, interest and redemption as applicable, should be credited.

The Applicant shall be responsible for providing the above information accurately. Delays or failure in credit of the payments due to inaccurate details shall be at the sole risk of the Applicants and neither the Lead Managers nor our Company shall have any responsibility and undertake any liability for the same. Applications for Allotment of the Bonds in physical form, which are not accompanied with the aforesaid documents, may be rejected at the sole discretion of our Company.

In relation to the issuance of the Bonds in physical form, please note the following:

1. An Applicant has the option to seek Allotment of Bonds in either dematerialised or physical mode (except to QFIs). No partial Application for the Bonds shall be permitted and is liable to be rejected.
2. In case of Bonds that are being issued in physical form, our Company will issue one certificate to the holders of the Bonds for the aggregate amount of the Bonds for each of the Series of Bonds that are applied for (each such certificate a "Consolidated Bond Certificate").
3. **Any Applicant who provides the Depository Participant details in the Application Form shall be Allotted the Bonds in dematerialised form only. Such Applicant shall not be Allotted the Bonds in physical form.**
4. Our Company shall dispatch the Consolidated Bond Certificate to the address of the Applicant provided in the Application Form.

All terms and conditions disclosed in relation to the Bonds held in physical form pursuant to rematerialisation shall be applicable *mutatis mutandis* to the Bonds issued in physical form.

33. CONSOLIDATED LIST OF DOCUMENTS REQUIRED FOR VARIOUS CATEGORIES

For the sake of simplicity we hereby provide the details of documents required to be submitted by various categories of Applicants (who have applied for Allotment of the Bonds in dematerialised form) while submitting the Application Form:

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

Type of Investors	Documents to be submitted with application form
Public financial institutions, commercial banks authorized to invest in the Bonds, companies within the meaning of clause 20 section 2 of the Companies Act and bodies corporate registered under the applicable laws in India and authorized to invest in the Bonds; multilateral and bilateral development financial institutions and State Industrial Development Corporations; Companies; bodies corporate and societies registered under the applicable laws in India and authorized to invest in the Bonds	The Application must be accompanied by certified true copies of: <ul style="list-style-type: none"> Any Act/ Rules under which they are incorporated Board Resolution authorizing investments Specimen signature of authorized person
Insurance companies registered with the IRDA	The Application must be accompanied by certified copies of <ul style="list-style-type: none"> Any Act/Rules under which they are incorporated Registration documents (i.e. IRDA registration) Resolution authorizing investment and containing operating instructions (Resolution) Specimen signature of authorized person
Provident Funds, Pension Funds and National Investment Fund	The Application must be accompanied by certified true copies of: <ul style="list-style-type: none"> Any Act/Rules under which they are incorporated Board Resolution authorizing investments Specimen signature of authorized person
Mutual Funds	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> SEBI registration Certificate and trust deed (SEBI Registration) Resolution authorizing investment and containing operating instructions (Resolution) Specimen signature of authorized person
Applicants through a power of attorney under Category I and II	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> A certified copy of the power of attorney or the relevant resolution or authority, as the case may be A certified copy of the memorandum of association and articles of association and/or bye laws and/or charter documents, as applicable, must be lodged along with the Application Form. Specimen signature of power of attorney holder/authorized signatory as per the relevant resolution.
Resident Indian individuals and HUF under Categories III and IV	N.A.

Type of Investors	Documents to be submitted with application form
	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> Self-attested copy of PAN card of HUF. Bank details of HUF i.e. copy of passbook/bank statement/cancelled cheque indicating HUF status of the applicant. Self-attested copy of proof of Address of karta, identity proof of karta.
Power of Attorney under Category III and Category IV	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> A certified copy of the power of attorney has to be lodge with the Application Form
Partnership firms in the name of the partners Limited Liability partnership formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009)	<ul style="list-style-type: none"> Partnership Deed Any documents evidencing registration thereof under applicable statutory/ regulatory requirements. Resolution authorizing investment and containing operating instructions (Resolution) Specimen signature of authorized person.
FII's	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> SEBI registration certificates. An inward remittance certificate. A resolution authorising investment in the Bonds. Specimen signatures of authorised persons.
Eligible NRIs	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> A certificate from the issuing bank confirming that the demand draft has been drawn on an NRE/ NRO/ FCNR/ NRSR account. A PIO Card (if the Eligible NRI is a PIO).

TERMS OF PAYMENT

34. Payment mechanism for ASBA Applicants

An ASBA Applicant shall specify details of the ASBA Account in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form. Upon receipt of intimation from the Registrar, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Accounts or the Non Resident Public Issue Accounts, as the case may be, in terms of the Escrow Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 12 (twelve) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account or the Non Resident Public Issue Account, as the case may be or until withdrawal/ failure of the Issue or until rejection of the ASBA Application, as the case may be.

35. Payment mechanism for non ASBA Applicants

We shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the resident Applicants (except for ASBA Applicants) shall draw cheques or demand drafts. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form. Cheques or demand drafts for the Application Amount received from Applicants would be deposited by the Members of the Syndicate and Trading Members, as the case may be, in the Escrow Accounts.

Our Company shall open and maintain a separate escrow accounts with the Escrow Collection Bank(s) in connection with all application monies received from non residents including NRIs on repatriation and non repatriation basis, FIIs and QFIs i.e. Non Resident Escrow Accounts. All application monies received from non resident applicants shall be deposited in the Non Resident Escrow Accounts maintained with one or more Escrow Collection Banks. On Allotment of Bonds, the Escrow Collection Bank(s) shall transfer the monies from the Non Resident Escrow Accounts to a separate bank account, Non Resident Public Issue Accounts, which shall be different from the Public Issue Account for resident. Our Company shall at all times ensure that any monies transferred to Company’s bank accounts from Non Resident Public Issue Accounts shall be utilised only in accordance with applicable statutory and/or regulatory requirements.

Each Applicant (except for ASBA Applicants) shall draw a cheque or demand draft for the Application Amount as per the following terms:

- a) All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form other than ASBA Applicants.
- b) The Applicants shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Accounts and submit the same along with their Application. If the payment is not made favouring the Escrow Accounts along with the Application Form, the Application will be rejected. Application Forms accompanied by cash, stock invest, money order or postal order will not be accepted.
- c) The payment instruments from the resident Applicants shall be payable into the Escrow Account drawn in favour of “PFC Tax Free Bonds – 2013 – Escrow Account - R”.
- d) The payment instruments from eligible non resident Applicants applying on repatriation basis shall be payable in the Non Resident Escrow Accounts drawn in favour of “PFC Tax Free Bonds – 2013- Escrow Account NR- Repat”.
- e) The payment instruments from eligible non resident Applicants applying on non repatriation basis shall be payable in the Non Resident Escrow Accounts drawn in favour of “PFC Tax Free Bonds – 2013 - Escrow Account NR- Non Repat”
- f) Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and Applications accompanied by such cheques or bank drafts are liable to be rejected.
- g) The monies deposited in the Escrow Account and Non Resident Escrow Accounts will be held for the benefit of the Applicants until the Designated Date.
- h) On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by Allotment of Bonds from the Escrow Account, Non Resident Escrow Accounts, as per the terms of the Escrow Agreement, the Shelf Prospectus and the Prospectus Tranche – I into the Public Issue Account, Non Resident Public Issue Account. The Escrow Collection Banks shall also, upon receipt of instructions from the Lead Managers and the Registrar, transfer all amounts payable to Applicants, who have not been Allotted Bonds to the Refund Accounts.

Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Lead Managers, the Escrow Collection Banks and the Registrar to facilitate collections from the Applicants.

Please note that Applications accompanied by Application Amounts in cash/ stock invest/ money orders/ postal orders will not be accepted.

The Escrow Collection Banks will act in terms of the Shelf Prospectus, the Prospectus Tranche – I and the Escrow Agreement. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein. It is mandatory for our Company, to not to transfer the issue proceeds to Company Account until the documents for creation of security as stated in the Prospectus Tranche – I are executed.

The balance amount after transfer to the Public Issue Account and Non Resident Public Issue Account shall be transferred to the Refund Account. Payments of refund to the relevant Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement, the Shelf Prospectus and the Prospectus Tranche – I.

36. Additional information for Applicants

1. Application Forms submitted by Applicants (except for Applicants, other than QFIs applying for the Bonds in physical form) whose beneficiary accounts are inactive shall be rejected.
2. For ASBA Applicants, no separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Members of the Syndicate or the SCSB or the Trading Member, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that Application Forms do not bear the stamp of the Members of the Syndicate/ Trading Member or the relevant Designated Branch, they are liable to be rejected.

Applicants are advised not to submit Application Forms directly to the Escrow Collection Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

SUBMISSION OF APPLICATION FORMS

Mode of Application	To whom the Application Form has to be submitted
ASBA Applications	If using a physical Application Form: (i) to the Members of the Syndicate only at the Syndicate ASBA Application Locations; or (ii) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (iii) to Trading Members only at the Syndicate ASBA Application Locations. If using an electronic Application Form (in the event the SCSBs offer such facility), electronically through an internet banking facility, where the ASBA Accounts are maintained.
Non- ASBA Applications	(i) to the Members of the Syndicate; or (i) to Trading Members.

Applications shall be accepted only during banking hours, or such extended time as may be permitted by the BSE during the Issue Period, at the collection centres or with the Members of the Syndicate at the Syndicate ASBA Application Locations and the designated branches of SCSBs as mentioned on the Application Form. On the Issue Closing Date, Applications shall be accepted only between 10:00 a.m. and 3:00 p.m. and shall be uploaded until 5:00 p.m. or such extended time as may be permitted by the BSE. It is clarified that the Applications not uploaded in the electronic application system of the BSE would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. on the Issue Closing Date. All times mentioned in the Shelf Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Members of the Syndicate or Trading Members are liable for any failure in uploading the Applications due to failure in any software/hardware system or otherwise.

REJECTION OF APPLICATIONS

The Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Number of Bonds applied for being less than the minimum Application size;
- Applications submitted without payment of the entire Application Amount. However, our Company may allot Bonds up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Investor Category in the Application Form not being ticked;
- In case of Applications for Allotment in physical form, bank account details not provided in the Application Form;
- As per SEBI circular dated July 27, 2012 the allotment can be done in physical form only to investor who have no demat account. Such applications where Applicant have a demat account but he is applying for physical bonds, are liable to be rejected.
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Applications by stock invest or accompanied by cash/money order/postal order;
- Applications made without mentioning the PAN of the Applicant;
- GIR number mentioned in the Application Form instead of PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- For Applications for Allotment in dematerialised form, DP ID, Client ID and PAN mentioned in the Application Form do not match with the Depository Participant ID, Client ID and PAN available in the records with the depositories;
- Where PAN details in the Application Form and as entered into the electronic system of the relevant Stock Exchange, are not as per the records of the Depositories;
- In case of Applicants except QFIs applying for the Bonds in physical form, if the address of the Applicant is not provided in the Application Form;
- Copy of KYC documents not provided in case of option to hold Bonds in physical form;
- Applications for an amount below the minimum Application size;
- ASBA Applications not having details of the ASBA Account to be blocked;
- With respect to ASBA Applications, inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- SCSB making an ASBA application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- Authorization to the SCSB for blocking funds in the ASBA Account not provided;
- Applications (except for ASBA Applications) where clear funds are not available in Escrow Accounts and Non Resident Escrow Accounts as per final certificates from Escrow Collection Banks;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by Applicants seeking Allotment in dematerialised form whose

- demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Non- ASBA Applications accompanied by more than one payment instrument;
- Applications for Allotment of Bonds in dematerialised form providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- In case of eligible NRIs applying on non repatriation basis if: (i) in case of application for allotment in physical form, the account number mentioned in the application form where the sale proceeds/ maturity proceeds/ interest on Bonds is to be credited is a repatriable account; or (ii) in case of application for allotment in demat form, the status of the demat account mentioned is repatriable;
- Bank certificate not provided along with demand draft for NRI Applicants;
- PIO Applications without the PIO Card;
- Applications not uploaded on the terminals of BSE;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the BSE;
- Non resident investors including NRIs, FIIs and QFIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- In case of partnership firms, Application Form submitted in the names of the individual partners and/or accompanied by the individual's PAN rather than the PAN of partnership firm;
- In case of eligible NRIs applying on non repatriation basis: (i) if the money is received from an account other than Non-Resident Ordinary (NRO)/any other permissible account in accordance with FEMA and Non-Resident External (NRE) account maintained with a RBI authorised dealer or a RBI authorised bank in India; and
- In case of eligible NRIs applying on repatriation basis: (i) if the money is received from an account other than Non-Resident External (NRE)/FCNR/any other permissible account in accordance with FEMA maintained with a RBI authorised dealer or a RBI authorised bank in India.

For further instructions regarding Application for the Bonds, Applicants are requested to read the Application Form.

Additional information for Applicants

1. Application Forms submitted by Applicants (except for Applicants other than QFIs applying for the Bonds in physical form) whose beneficiary accounts are inactive shall be rejected.
2. For ASBA Applicants, no separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Members of the Syndicate or the SCSB or the Trading Member, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that Application Forms do not bear the stamp of the Members of the Syndicate/ Trading Member or the relevant Designated Branch, they are liable to be rejected.

TERMS OF THE ISSUE

The Bonds being offered through the Issue are subject to the provisions of the SEBI Debt Regulations, applicable regulations by the RBI, the Income Tax Act, the Companies Act, Companies Act, 2013, the CBDT Notification, the terms of the Shelf Prospectus, the Prospectus Tranche – I, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the GoI, and other statutory/regulatory authorities relating to the

offer, issue and listing of securities and any other documents that may be executed in connection with the Bonds.

37. Authority for the Issue

The CBDT has by the CBDT Notification, authorised our Company to raise the Bonds aggregating to ₹ 5000 crores in Fiscal 2014 out of which our company has raised ₹ 1124.10 crores. Our Company proposes to raise balance amount of upto ₹ 3875.90 crores through this Issue of the Bonds in one or more tranches prior to March 31, 2014, as approved by its Board by its resolution dated March 22, 2013. The Tranche – I Issue is of Bonds aggregating to ₹ 750 crores with an option to retain oversubscription upto ₹ 3875.90 crores.

** Our Company is also considering the raising of funds private placements of the Bonds in one or more tranches during the process of the present Issue, at its discretion. Our Company will ensure that Bonds issued through public issue or on private placement basis should not exceed ₹ 5000 crores and the Bonds issued on private placement basis shall not exceed 30% of the total allocated limit.*

As per newly notified Section 31 of Companies Act, 2013, any class of companies as prescribed by SEBI, may file a shelf prospectus, however, presently no such class of companies has been prescribed by SEBI. Further, as per Section 29 of Companies Act, 2013 it is mandatory for companies making a public offer to offer securities in dematerialised form only. Our company vide its letters dated September 16, 2013 and September 19, 2013 sought approval from SEBI to file a shelf prospectus and for issuing securities also in physical, respectively. SEBI has granted both the above mentioned approvals to our Company vide letter no. IMD/DOF-1/BM/VA/OW/24427/2013 dated September 24, 2013.

38. Issue and status of the Bonds

Public issue of tax free bonds, in the nature of secured redeemable non convertible debentures having benefits under section 10(15)(iv)(h) of the Income Tax Act upto an aggregate amount of ₹ 3875.90 crores at par in one or more tranches in the Fiscal 2014.

The Bonds shall be secured pursuant to the Debenture Trust Deed. The Bondholders are entitled to the benefit of the Debenture Trust Deed and are bound by and are deemed to have notice of all the provisions of the Debenture Trust Deed.

The Bonds are proposed to be secured by a charge on the book debts of the Company by a first/ pari passu charge and/or any other security, pursuant to the terms of the Debenture Trust Deed or any other document as may be required.

The claims of the Bondholders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements.

Form, face value, title and listing etc.

39. Form of Allotment

The Allotment of the Bonds shall be in a dematerialized form to all Applicants and in physical form to Applicants, except QFIs. Our Company has made depository arrangements with CDSL and NSDL for the issuance of the Bonds in dematerialized form, pursuant to a tripartite agreement dated April 25, 2006 among our Company, the Registrar and CDSL and a tripartite agreement dated May 16, 2006 among our Company, the Registrar and NSDL (collectively the “**Tripartite Agreements**”). As per SEBI circular dated July 27, 2012 the allotment can be done in physical form only to investor who have no demat account. Therefore, only the investors not having a demat account will be allotted Bonds in physical form however investors having a demat account will have the option to convert demat bonds allotted to them into physical form as per Depositories Act, 1996.

Our Company shall take necessary steps to credit the Depository Participant account of the Applicants with the number of Bonds Allotted in dematerialized form. The Bondholders holding the Bonds in dematerialised form shall deal with the Bonds in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time.

The Bondholders may rematerialize the Bonds issued in dematerialised form, at any time after Allotment, in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time.

In case of Bonds held in physical form, whether on Allotment or on rematerialization of Bonds allotted in dematerialised form, our Company will issue one certificate for each Series of the Bonds to the Bondholder for the aggregate amount of the Bonds that are held by such Bondholder (each such certificate, a “**Consolidated Bond Certificate**”). In respect of the Consolidated Bond Certificate(s), our Company will, on receipt of a request from the Bondholder within 30 days of such request, split such Consolidated Bond Certificate(s) into smaller denominations in accordance with the applicable regulations/rules/act, subject to a minimum denomination of one Bond. No fees will be charged for splitting any Consolidated Bond Certificate(s) and any stamp duty, if payable, will be paid by the Bondholder. The request to split a Consolidated Bond Certificate shall be accompanied by the original Consolidated Bond Certificate which will, on issuance of the split Consolidated Bond Certificates, be cancelled by our Company.

40. Face Value

The face value of each Bond is ₹ 1000.

41. Title

In case of:

a Bond held in dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and

a Bond held in physical form, the person for the time being appearing in the Register of Bondholders as Bondholder

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such persons the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated Bond Certificate issued in respect of the Bonds and no person will be liable for so treating the Bondholder.

No transfer of title of a Bond will be valid unless and until entered on the Register of Bondholders or the register of beneficial owners, maintained by the Depositories and/or our Company or the Registrar to the Issue prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the register of beneficial holders maintained by the Depositories and the Register of Bondholders, as maintained by our Company and/or the Registrar to the Issue, as the case may be. In such cases, claims, if any, by the purchasers of the Bonds will need to be settled with the seller of the Bonds and not with our Company or the Registrar to the Issue.

42. Listing

The Bonds will be listed on BSE. The Designated Stock Exchange for the Issue is BSE. Our Company has received in-principle approvals vide letter no. DCS/SP/PI-BONDS/06/13-14 dated September 24, 2013.

43. Market Lot

The Bonds shall be allotted in dematerialised form to all Applicants and in physical form to Applicants, except QFIs. In terms of the SEBI Debt Regulations, the trading of the Bonds shall be in dematerialised form only. Since, the trading of Bonds is in dematerialized form, tradable lot is one Bond.

44. Procedure for rematerialisation of Bonds

Bondholders who wish to hold the Bonds in physical form, after having opted for Allotment in dematerialised form may do so by submitting a request to their Depository Participant, in accordance with the applicable procedure stipulated by such Depository Participant.

45. Security

The Bonds proposed to be issued, shall be secured by way of first/ pari passu charge on the book debts of the Company or any other security, pursuant to the terms of the Debenture Trust Deed or any other document as may be required, to be created within one month of the Deemed Date of Allotment, in accordance with the SEBI Debt Regulations. Our Company has obtained consents from all individuals and entities currently holding a pari passu charge on the assets over which the Security is proposed to be created.

For further details and for rationale for the above ratings, please refer to the Prospectus Tranche - I.

46. Credit Rating

‘CRISIL AAA/Stable’ by CRISIL, ‘CARE AAA’ by CARE and ‘[ICRA] AAA’ by ICRA. For further details and for rationale for the above ratings, please refer to the Shelf Prospectus.

Transfer of the Bonds, issue of Consolidated Bond Certificates, etc.

47. Register of Bondholders

Our Company shall maintain at its Registered Office or such other place as permitted by section 163 of the Companies Act, a Register of Bondholders containing such particulars of the legal owners of the Bonds. Further, in accordance with 152A of the Companies Act, the register of beneficial owners maintained by Depositories for any Bond in dematerialised form under section 11 of the Depositories Act shall also be deemed to be a register of Bondholders for this purpose.

48. Transfers

Transfer of Bonds held in dematerialised form:

In respect of Bonds held in the dematerialised form, transfers of the Bonds may be effected only through the Depositories where such Bonds are held, in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time. The Bondholder shall give delivery instructions containing details of the prospective purchaser’s Depository Participant’s account to his Depository Participant. If a prospective purchaser does not have a Depository Participant account, the Bondholder may rematerialize his or her Bonds and transfer them in a manner as specified in paragraph 4.2.2 mentioned in the shelf prospectus.

Transfer of Bonds in physical form:

The Bonds may be transferred in a manner as may be prescribed by our Company for the registration of transfer of Bonds. Purchasers of Bonds are advised to send the Consolidated Bond Certificate to our Company or to such persons as may be notified by our Company from time to time. If a purchaser of the Bonds in physical form intends to hold the Bonds in dematerialised form, the Bonds may be dematerialized by the purchaser through his or her Depository Participant in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time.

49. Formalities free of charge

Registration of a transfer of Bonds and issuance of new Consolidated Bond Certificates will be effected without charge by or on behalf of our Company, but on payment (or the giving of such indemnity as our Company may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer, and upon our Company being satisfied that the requirements concerning transfers of Bonds have been duly complied with.

50. Debenture Redemption Reserve (“DRR”)

Pursuant to regulation 16 of the SEBI Debt Regulations and section 117C of the Companies Act, any company that intends to issue debentures needs to create a DRR to which adequate amounts shall be credited out of the profits of our company until the redemption of the debentures. Further, the MCA has, through its circular dated February 11, 2013 has specified that NBFC’s shall create a DRR to the extent of 25% of the value of the debentures issued through a public issue or such a percentage as may be required under applicable regulation as amended from time to time. Accordingly, our Company shall create a DRR of 25% of the value of the Bonds Allotted in terms of the Prospectus Tranche – I, for the redemption of the Bonds. Our Company shall credit adequate amounts to the DRR from its profits every year until the Bonds are redeemed. The amounts credited to the DRR shall not be utilized by our Company for any purpose other than for the redemption of the Bonds.

51. Application amount

The Bonds are being issued at par and the full amount of the face value per Bond is payable on Application. Eligible Applicants can apply for any amount of the Bonds subject to a minimum Application size of 5 Bonds (₹ 5000), across all of the Series of Bonds. The Applicants will be allotted the Bonds in accordance with the Basis of Allotment.

52. Deemed Date of Allotment

The Deemed Date of Allotment shall be the date on which the Board of Directors/or any committee thereof approves the Allotment of the Bonds for the Tranche – I Issue or such date as may be determined by the Board of Directors/ or any committee thereof and notified to the Designated Stock Exchange. The actual Allotment of Bonds may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Bonds including interest on Bonds (as specified in the Prospectus Tranche – I for the Tranche – I Issue) shall be available to the Bondholders from the Deemed Date of Allotment.

53. Subscription

Period of subscription

The Issue shall remain open for the period mentioned below:

Issue opens on	Issue closes on
October 14, 2013	November 11, 2013

The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board or a duly constituted committee thereof. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a reputed daily national newspaper on or before such earlier or extended date of Issue closure. On the Issue Closing Date Application Forms will be accepted only between 10 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the BSE.

54. Underwriting

The Issue is not underwritten.

55. Minimum subscription

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise.

Our Company has decided to set no minimum subscription for the Issue.

56. Day count convention

Interest on the Bonds shall be computed on an actual/ actual basis for the broken period.

BASIS OF ALLOTMENT

For the purposes of the basis of allotment:

- A. Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together, (“**QIB Portion**”);
- B. Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Corporate Portion**”);
- C. Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together, (“**HNI Portion**”); and
- D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Investor Portion/RII Portion**”).

For removal of doubt, the terms “**QIB Portion**”, “**Corporate Portion**”, “**HNI Portion**” and “**Retail Individual Investor Portion**” are individually referred to as a “**Portion**” and collectively referred to as “**Portions**”.

For the purposes of determining the number of Bonds available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of Bonds to be allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Issue upto ₹ 3875.90 crores. The aggregate value of Bonds decided to be allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Issue), and/or the aggregate value of Bonds upto the Base Issue Size shall be collectively termed as the “**Overall Issue Size**”.

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

Allocation ratio

Reservations shall be made for each of the Portions in the below mentioned basis:

QIB Portion	Corporate Portion	High Net Worth Individual Portion	Retail Individual Investor Portion
15% of the Issue Size	20% of the Issue Size	25% of the Issue Size	40% of the Issue Size

Basis of Allotment for Bonds

- (a) Allotments in the first instance:
- i. Applicants belonging to the Category I, in the first instance, will be allocated Bonds upto 15% of the Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the online Application platform of the stock exchanges);
 - ii. Applicants belonging to the Category II, in the first instance, will be allocated Bonds upto 20% of Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the online Application platform of the stock exchanges);
 - iii. Applicants belonging to the Category III, in the first instance, will be allocated Bonds upto 25% of Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the online Application platform of the stock exchanges);
 - iv. Applicants belonging to the Category IV, in the first instance, will be allocated Bonds upto 40% of Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the online Application platform of the stock exchanges).
- (b) Under subscription
If there is any under subscription in any Portion the spill over to shall be in the following order:
- i. Category IV Portion;
 - ii. Category III Portion;
 - iii. Category II Portion; and
 - iv. Category I Portion.
- (c) For all Portions, all Applications uploaded on the same day on the online Application platform of therelevant stock exchanges would be treated at par with each other.
- (d) Minimum allotments of one Bond would be made in case of each valid Application.
- (e) Allotments in case of oversubscription:
In case of an oversubscription in any of the Portions, Allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full Allotment of Bondsto the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Bonds to the Applicants on the date of oversubscription (based on the date of upload of each Application on the online Application platform of the relevant stock exchanges, in each Portion). The method of proportionate allotment is as described below:
- i. Allotments to the applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer,
 - ii. If the process of rounding off to the nearest integer results in the actual allocation of Bonds being higher than the Issue size, not all applicants will be allotted the number of Bonds arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference;
 - iii. In the event, there are more than one Applicant whose entitlement remains equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.
- (f) Applicants applying for more than one Series of Bonds:
If an Applicant has applied for more than one Series of Bonds, and in case such

Applicant is entitled to allocation of only a part of the aggregate number of Bonds applied for, the Series-wise allocation of Bonds to such Applicants shall be in proportion to the number of Bonds with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate, in consultation with the Lead Managers and the Designated Stock Exchange.

All decisions pertaining to the basis of allotment of Bonds pursuant to the Issue shall be taken by our Company in consultation with the Lead Managers, and the Designated Stock Exchange and in compliance with the aforementioned provisions of the Prospectus Tranche – I. Any other queries/issues in connection with the Applications will be appropriately dealt with and decided upon by the Company in consultation with the Lead Managers.

Our Company shall allocate and allot Tranche I Series 1 A/ Series 1 B (depending upon the category of applicants) to all valid applications, wherein the Applicants have not indicated their choice of the relevant Bond Series.

Our Company has the discretion to close the Issue early irrespective of whether any of the Portion(s) are fullysubscribed or not. Our Company shall allot Bonds with respect to the Applications received till the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

PAYMENT OF REFUND

In case of Applications other than those made through the ASBA process, the unutilised portion of the Application Amounts will be refunded to the Applicant within 12 (twelve) Working Days of the Issue Closing Date through any of the following modes:

- i. **Direct Credit** – Applicants having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.
- ii. **NECS** – Payment of refund would be done through NECS for Applicants having an account at any of the 68 centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds through this mode will be done for Applicants having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).
- iii. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- iv. **RTGS** – If the refund amount exceeds ₹ 200,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the refund bank(s) for the same would be borne by us. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.
- v. For all other Applicants (not being ASBA Applicants), refund orders will be despatched through speed post/ registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/ first Applicants and payable at par.

In the case of Applicants other than ASBA Applicants, applying for the Bonds in dematerialised form, the Registrar will obtain from the Depositories the Applicant's bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their Depository Participants. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay will be at the Applicant's sole risk and neither our Company, the Registrar, the Escrow Collection Banks,

or the Members of the Syndicate, will be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

In case of ASBA Applicants, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 (twelve) Working Days of the Issue Closing Date.

Our Company and the Registrar shall credit the allotted Bonds to the respective beneficiary accounts/ dispatch the Letters of Allotment/ Bond Certificates or letters of regret/ Refund Orders by registered post/speed post/ ordinary post at the Applicant's sole risk, within 12 Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT.

Further,

- Allotment of Bonds in the Issue shall be made within a time period of 12 Working Days from the Issue Closing Date;
- Credit to dematerialised accounts will be given within two Working Days from the Date of Allotment;
- Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the applicants within 12 Working Days from the Issue Closing Date, for the delay beyond 12 Working Days; and
- Our Company will provide adequate funds to the Registrar for this purpose.

57. Retention of oversubscription

Our Company is making a public Issue of Bonds aggregating upto ₹ 750 crores with an option to retain oversubscription of Bonds up to ₹ 3875.90 crores.

INTEREST

58. Interest

For Bondholders falling under Category I, II and III, the Bonds under Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A shall carry interest at the coupon rate of 8.18% p.a., 8.54% p.a. and 8.67% p.a. respectively payable from, and including, the Deemed Date of Allotment up to, but excluding, their respective Maturity Dates, payable annually on the "Interest Payment Date", to the Bondholders as of the relevant Record Date. The effective yield to Category I, II and III Bondholders would be 8.18% p.a., 8.54% p.a. and 8.67% p.a. for the Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A respectively.

For Bondholders falling under Category IV, the Bonds under Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B shall carry interest at the coupon rate of 8.43% p.a., 8.79% p.a. and 8.92% p.a. respectively payable from, and including, the Deemed Date of Allotment up to, but excluding, their respective Maturity Dates, payable annually on the "Interest Payment Date", to the Bondholders as of the relevant Record Date. The effective yield to Category IV Bondholders would be 8.43% p.a., 8.79% p.a. and 8.92% p.a. for the Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B respectively.

The coupon rates indicated under Tranche I Series 1B, Tranche I Series 2B and Tranche Series 3B shall be payable only on the Portion of Bonds allotted to Category IV in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under Category IV.

In case the Bonds allotted against Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B are transferred by Category IV to Category I, Category II and/or Category III, the coupon rate on such Bonds shall stand at par with coupon rate applicable on Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A respectively.

If the Bonds allotted against Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B are sold/ transferred by the Category IV to investor(s) who fall under the Category IV as on the Record Date for payment of interest, then the coupon rates on such Bonds shall remain unchanged;

Bonds allotted against Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B shall continue to carry the specified coupon rate if on the Record Date for payment of interest, such Bonds are held by investors falling under Category IV;

If on any Record Date, the original Category IV allottee(s)/ transferee(s) hold the Bonds under Tranche I Series 1B, Tranche I Series 2B, Tranche I Series 3B, Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A for an aggregate face value amount of over ₹ 10 lacs, then the coupon rate applicable to such Category IV allottee(s)/transferee(s) on Bonds under Tranche I Series 1B, Tranche I Series 2B, Tranche I Series 3B shall stand at par with coupon rate applicable on Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A respectively;

Bonds allotted under Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A shall carry coupon rates indicated above till the respective maturity of Bonds irrespective of Category of holder(s) of such Bonds;

For the purpose of classification and verification of status of the Category IV of Bondholders, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds allotted under the Tranche – I Issue, shall be clubbed and taken together on the basis of PAN.

Interest on Application Amounts

59. Interest on Application Amounts received which are used towards Allotment of Bonds

We shall pay interest on Application Amounts on the amount Allotted, subject to deduction of income tax under the provisions of the Income Tax Act, as applicable, to any Applicants to whom Bonds are allotted (except for ASBA Applicants) pursuant to the Issue from the date of realization of the cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment, at the rate of 8.18% p.a., 8.54% p.a. and 8.67% p.a. on Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A respectively for Allottees under Category I, Category II and Category III Portion, and at the rate of 8.43% p.a., 8.79% p.a. and 8.92% p.a. on Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B respectively for Allottees under Category IV Portion. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts on the amount Allotted from three Business Days from the date of upload of each Application on the electronic Application platform of the BSE upto one day prior to the Deemed Date of Allotment, at the aforementioned rate.

A tax deduction certificate will be issued for the amount of income tax so deducted.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Applicants. Alternatively, interest warrants will be dispatched along with the letter(s) of allotment at the sole risk of the Applicant, to the sole/first Applicant.

60. Interest on Application Amounts received which are liable to be refunded

We shall pay interest on Application Amounts which is liable to be refunded to the Applicants (other than Application Amounts received after the closure of the Issue and ASBA Applicants) subject to deduction of income tax under the provisions of the Income Tax Act, as applicable, from the date of realization of the cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment, at the rate of 5% per annum. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts which are liable to be refunded from three Business Days from the date of upload of each Application on the electronic Application platform of the BSE upto one day prior to the Deemed Date of Allotment, at the aforementioned rate. Such interest shall be paid along with the monies liable to be refunded. Interest warrants will be dispatched/credited (in case of electronic payment) along with the letter(s) of refund at the sole risk of the Applicant, to the sole/first Applicant.

A tax deduction certificate will be issued for the amount of income tax so deducted.

Notwithstanding anything contained hereinabove, our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, and/or (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of amount of the Bonds applied for in the Application Form. See the section titled "Issue Procedure- Rejection of Applications" at page 84 of the Prospectus Tranche-I.

REDEMPTION

61. Redemption

The face value of the Bonds will be redeemed at par, on the respective Maturity Dates of each of the Series of Bonds.

Procedure for redemption by Bondholders

The procedure for redemption is set out below:

Bonds held in electronic form:

No action is required on the part of Bondholders at the time of maturity of the Bonds.

Bonds held in physical form:

No action will ordinarily be required on the part of the Bondholder at the time of redemption, and the Maturity Amount will be paid to those Bondholders whose names appear in the Register of Bondholders maintained by our Company on the Record Date fixed for the purpose of redemption without there being a requirement for the surrender of the physical Consolidated Bond Certificate(s).

PAYMENTS**62. Payments****Payment of interest on the Bonds**

Payment of interest on the Bonds will be made to those Bondholders whose name appears first in the register of beneficial owners maintained by the Depositories and the Register of Bondholders maintained by our Company and/or the Registrar to the Issue, as the case may be, on the Record Date.

63. Record Date

The record date for the payment of interest or the Maturity Amount shall be 15 days prior to the date on which such amount is due and payable ("**Record Date**"). In case of redemption of Bonds, the trading in the Bonds shall remain suspended between the Record Date and the Redemption Date. In the event that the Record Date falls on a public holiday, or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, the succeeding Business Day will be considered the Record Date.

64. Effect of holidays on payments

If the date of interest payment or redemption falls on a Saturday, Sunday or a public holiday in New Delhi or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, the succeeding Business Day will be considered as the interest payment date or Redemption Date, as the case may be, without any interest for the period overdue.

Whilst our Company will use the electronic mode for making payments, where facilities for electronic mode of payments are not available to the Bondholder or where the information provided by the Applicant is insufficient or incomplete, our Company proposes to use other modes of payment to make payments to the Bondholders, including through the dispatch of cheques through a courier service, or registered post or speed post to the address provided by the Bondholder and appearing in the register of beneficial owners maintained by the Depositories and the Register of Bondholders maintained by our Company and/or the Registrar to the Issue, as the case may be, on the Record Date. Our Company shall pay interest in accordance with the applicable laws, over and above the coupon rate of the Bonds in the event that such payments are delayed beyond a period of eight days after our Company becomes liable to pay such amounts.

Our Company's liability to the Bondholders including for payment or otherwise shall stand extinguished from the Maturity Date or on dispatch of the amounts paid by way of principal and/or interest to the Bondholders. Further, our Company will not be liable to pay any interest, income or compensation of any kind accruing subsequent to the Maturity Date.

65. Manner and mode of payment**Manner of payment:**

All payments to be made by our Company to the Bondholders shall be made in any of the following manners:

For Bonds applied or held in electronic form:

Bank account details will be obtained from the Depositories for payments. Investors who have applied or who are holding the Bond in electronic form are advised to immediately update their bank account details as appearing on the records of their Depository Participant. Failure to do so could result in delays in credit of the payments to investors at their sole risk and neither the Lead Managers nor our Company shall have any responsibility and undertake any liability for such delays on part of the Investors.

For Bonds held in physical form

Bank account details will be obtained from the Registrar to the Issue for effecting payments.

Modes of payment

The mode of interest/refund/Maturity Amounts shall be undertaken in the following order of preference:

Direct credit

Applicants having bank accounts with the Refund Bank, as per the Demographic Details received from the Depositories shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank for the same would be borne by our Company.

National Electronic Clearing Scheme ("NECS")

The NECS facility is applicable to Applicants having an account at any of the centres notified by the RBI. This mode of payment will be subject to availability of complete bank account details including the Magnetic Ink Character Recognition ("**MICR**") code as appearing on a cheque leaf, from the Depositories.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the payment process in time.

Real Time Gross Settlement ("RTGS")

An Applicant having a bank account with a branch which is RTGS enabled as per the information available on the website of the RBI and whose payment amount exceeds ₹2.00 lakhs (or as may be specified by the RBI from time to time) shall be eligible to receive refund through RTGS, provided the demographic details downloaded from the Depositories contain the nine digit MICR code of the Applicant's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code ("**IFSC**"). Charges, if any, levied by the Refund Bank for the same would be borne by our Company. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by such Applicant.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the payment process in time.

National Electronic Fund Transfer ("NEFT")

Payment of refund shall be undertaken through NEFT wherever an Applicant's bank branch is NEFT enabled and has been assigned the IFSC, which can be linked to an MICR code of that particular branch. The IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with an MICR code. Wherever an Applicant has registered his MICR number and his bank account number while opening and operating the beneficiary account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment will be made to such Applicant through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrar to the Issue. In the event NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed in this section.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the payment process in time.

Cheques or demand drafts

Payments by cheques or demand drafts shall be made in the name of the Bondholders whose names appear in the Register of Bondholders as maintained by our Company or from the register of beneficial owners as provided by the Depositories. All cheques or demand drafts as the case may be, shall be sent by registered/speed post/courier service at the Bondholders' sole risk.

66. Printing of bank particulars

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be provided for printing on the orders/warrants. Applications without these details are liable to be rejected. However, in relation to Applicants who have applied for Bonds in dematerialised form, these

particulars will be taken directly from the Depositories. In case of Bonds held in physical form either on account of rematerialisation or transfer, the Bondholders are advised to submit their bank account details with the Registrar to the Issue before the Record Date, failing which the amounts will be dispatched to the postal address of the Bondholders. Bank account particulars will be printed on the orders/warrants which can then be deposited only in the account specified.

67. Special Tax Benefits

For the details of tax benefits, please refer to chapter "Statement of Tax Benefits" on page 29 of the Prospectus Tranche - I.

68. Taxation

The Bonds are tax free in nature and the interest on the Bonds will not form part of the total taxable income of Bondholders. For further details, see the section titled "Statement of Tax Benefits" on page 29 of the Prospectus Tranche-I.

OTHER INSTRUCTIONS**69. Rights of Bondholders**

Some of the significant rights available to the Bondholders are as follows:

- a) The Bonds shall not, except as provided in the Companies Act, confer on Bondholders any rights or privileges available to members of our Company including the right to receive notices or annual reports of, or to attend and/or vote, at the Company's general meeting(s). However, if any resolution affecting the rights of the Bondholders is to be placed before our shareholders, such resolution will first be placed before the concerned Bondholders for their consideration. In terms of section 219(2) of the Companies Act, Bondholders shall be entitled to a copy of our balance sheet on a specific request made to the Company.
- b) The rights, privileges and conditions attached to the Bonds may be varied, modified and/or abrogated with the consent in writing of the Bondholders of at least three-fourths of the outstanding amount of the Bonds or with the sanction of a special resolution passed at a meeting of the concerned Bondholders. However, in the event that such consent or special resolution pertains to modify or vary the terms and conditions governing the Bonds, such consent or resolution shall not be operative against our Company in the event that such consent or resolution is not acceptable to our Company.
- c) The registered Bondholder or in case of joint-holders, the person whose name stands first in the Register of Bondholders or the register of beneficial owners, as the case may be, shall be entitled to vote in respect of such Bonds, either by being present in person or, where proxies are permitted, by proxy, at any meeting of the concerned Bondholders summoned for such purpose and every such Bondholder shall be entitled to one vote on a show of hands and on a poll, his or her voting rights shall be in proportion to the outstanding nominal value of Bonds held by him or her on every resolution placed before such meeting of the Bondholders.
- d) Bonds may be rolled over, subject to the consent of the Ministry of Finance, Government of India, and with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Bonds or with the sanction of a special resolution passed at a meeting of the concerned Bondholders after providing at least 21 days prior notice for such roll-over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the Bonds of all the Bondholders, who have not given their positive consent to the roll-over.

The above rights of Bondholders are merely indicative. The final rights of the Bondholders shall be as per the terms of the Shelf Prospectus, the Prospectus Tranche – I and the Debenture Trust Deed to be executed by our Company with the Debenture Trustee.

A special resolution for the purpose of this section is a resolution passed at a meeting of Bondholders of at least three-fourths of the outstanding amount of the Bonds, present and voting.

70. Nomination facility to Bondholders

The sole Bondholder or first Bondholder, along with other joint Bondholders (being individuals) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become

entitled to the Bond. A person, being a nominee, becoming entitled to the Bond by reason of the death of the Bondholders, shall be entitled to the same rights to which he will be entitled if he were the registered holder of the Bond. Where the nominee is a minor, the Bondholders may make a nomination to appoint any person to become entitled to the Bonds, in the event of his death, during the minority. A nomination shall stand rescinded on sale of a Bond by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the Bond is held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all the Bondholders. Fresh nominations can be made only in the prescribed form available on request at our Company's administrative office or at such other addresses as may be notified by our Company.

The Bondholders are advised to provide the specimen signature of the nominee to our Company to expedite the transmission of the Bond(s) to the nominee in the event of demise of the Bondholders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

Any person who becomes a nominee under any applicable laws shall on the production of such evidence as may be required by our Company's Board or a Committee of Directors, as the case may be, elect either:

- (a) to register himself or herself as the holder of the Bonds; or
- (b) to make such transfer of the Bonds, as the deceased holder could have made.

Notwithstanding anything stated above, Applicants who are allotted bonds in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bondholder will prevail. If the Bondholders require changing their nomination, they are requested to inform their respective Depository Participant. For Applicants who opt to hold the Bonds in physical form, the Applicants are required to fill in the details for 'nominees' as provided in the Application Form.

Further, our Company's Board or Committee of Directors, as the case may be, may at any time give notice requiring any nominee of the deceased holder to choose either to be registered himself or herself or to transfer the Bonds, and if the notice is not complied with, within a period of 90 days, our Company's Board or Committee of Directors, as the case may be, may thereafter withhold payment of all interests or other monies payable in respect of the Bonds, until the requirements of the notice have been complied with.

71. Events of default

The Debenture Trustee at its own discretion may, or if so requested in writing by the holders of not less than 75% in principal amount of the Bonds then outstanding or if so directed by a special resolution shall (subject to being indemnified and/or secured by the Bondholders to its satisfaction), give notice to our Company specifying that the Bonds and/or any particular Series of Bonds, in whole but not in part are and have become due and repayable at the early redemption amount on such date as may be specified in such notice, among other things, if any of the events listed in paragraph 15.2 of the shelf prospectus.

The event of default includes non payment of interest, non redemption etc. The complete list of events of default shall be as specified in the Debenture Trust Deed.

The early Redemption Amount payable on the occurrence of an event of default shall be as detailed in the Debenture Trust Deed.

If an event of default is continuing, the Debenture Trustee may, with the consent of the Bondholders obtained in accordance with the provisions of the Debenture Trust Deed, and with a prior written notice to our Company, take action in terms of the Debenture Trust Deed.

In case of default in the redemption of Bonds, in addition to the payment of interest and all other monies payable hereunder on the respective due dates, our Company shall also pay interest on the defaulted amounts.

72. Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the Issue Opening Dates. This advertisement will contain the information as prescribed under the SEBI Debt Regulations.

73. Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of

section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name.

shall be liable for action under section 447.”

74. Succession

Where Bonds are held in joint names and one of the joint-holders dies, the survivor(s) will be recognized as the Bondholder(s) in accordance with the applicable laws. It will be sufficient for our Company to delete the name of the deceased Bondholder after obtaining satisfactory evidence of his death, provided that a third person may call on our Company to register his name as successor of the deceased Bondholder after obtaining evidence such as probate of a will for the purpose of proving his title to the Bonds. In the event of demise of the sole or first holder of the Bonds, our Company will recognize the executors or administrator of the deceased Bondholders, or the holder of the succession certificate or other legal representative as having title to the Bonds only if such executor or administrator obtains and produces probate of will or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The Board of Directors of our Company in their absolute discretion may, in any case, dispense with production of probate of will or letter of administration or succession certificate or other legal representation.

75. Jurisdiction

The Bonds, the Trust Deed and other relevant documents shall be governed by and construed in accordance with the laws of India. For the purpose of this Issue and any matter related to or ancillary to the Issue, the courts of New Delhi, India shall have exclusive jurisdiction.

INVESTOR WITHDRAWALS AND PRE-CLOSURE

76. Withdrawal of Applications during the Issue Period

Withdrawal of ASBA Applications

ASBA Applicants can withdraw their ASBA Applications during the Issue Period by submitting a request for the same to Members of the Syndicate or Trading Members of the stock exchange(s) or the Designated Branch, as the case may be, through whom the ASBA Application had been placed. In case of ASBA Applications submitted to the Members of the Syndicate or Trading Members of the stock exchange(s) at the specified cities, upon receipt of the request for withdrawal from the ASBA Applicant, the relevant Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, shall do the requisite, including deletion of details of the withdrawn ASBA Application Form from the bidding platform of the stock exchange(s). In case of ASBA Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdrawal from the ASBA Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn ASBA Application Form from the bidding platform of the stock exchange(s) and unblocking of the funds in the ASBA Account directly.

Withdrawal of Non-ASBA Applications

Non-ASBA Applicants can withdraw their Applications during the Issue Period by submitting a request for the same to Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, through whom the Application had been placed. Upon receipt of the request for withdrawal from the Applicant, the relevant Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, shall do the requisite, including deletion of details of the withdrawn Non-ASBA Application Form from the bidding platform of the stock exchange(s).

77. Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of Basis of Allotment.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date. Our Company shall allot Bonds with respect to the Applications received till the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

78. Revision of Applications

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the stock exchange(s), by submitting a written request to the Members of the Syndicate/Trading Member/SCSBS, as the case may be. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the online Application platform of the stock exchange(s) as per the procedures and requirements prescribed by each relevant stock exchange(s), ensure that you have first withdrawn your original Application and submit a fresh Application. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Lead Managers, the Consortium Members, sub-brokers, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

79. Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the Bonds in dematerialised form. In this context:

- (i) Tripartite Agreements dated April 25, 2006 and May 16, 2006 between us, the Registrar and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- (ii) It may be noted that Bonds in electronic form can be traded only on stock exchanges having electronic connectivity with NSDL or CDSL. BSE has connectivity with NSDL and CDSL.
- (iii) Interest or other benefits with respect to the Bonds held in dematerialised form would be paid to those Bondholders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those Bonds for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- (iv) The trading of the Bonds shall be in dematerialized form only.

For further information relating to Applications for Allotment of the Bonds in dematerialised form, see the sections titled “Issue Procedure – Methods of Application” and “Issue Procedure – General Instructions” at pages 62 and 76, respectively, of the Prospectus Tranche-I.

80. Communications

All future communications in connection with Applications made in the Issue should be addressed to the Registrar quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Compliance Officer as well as the contact persons of our Company/ Lead Managers or the Registrar in case of any Pre-Issue related problems. In case of Post-Issue related problems such as non-receipt of Allotment Advice/ credit of Bonds in depository’s beneficiary account/ refund orders, etc., applicants may contact our Compliance Officer as well as the contact persons of our Company/ Lead Managers or Registrar. Please note that Applicants who have applied for the Bonds through Trading Members should contact BSE in case of any Post-Issue related problems, such as non-receipt of Allotment Advice/ credit of Bonds in depository’s beneficiary account/ refund orders, etc.

81. Utilisation of Application Amounts

The sum received in respect of the Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

82. Utilisation of the proceeds of the Issue

- (a) All monies received pursuant to the Issue of Bonds to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.
- (c) Details of all unutilised monies out of issue of Bonds, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- (d) We shall utilize the Issue proceeds only upon creation of security as stated in the Prospectus Tranche – I, receipt of the listing and trading approval from BSE.
- (e) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property.
- (f) All subscription monies received from eligible FIIs, QFIs and NRIs (and other non resident Applicants across all Categories) through the Issue shall be kept in a separate account opened and maintained by the Company, the proceeds of which account shall not be utilised for any lending purposes in terms of the FEMA Borrowing Regulations.

83. Listing

The Bonds will be listed on the Designated Stock Exchange. Our Company has applied for an in-principle approval to the Designated Stock Exchange for permission to deal in and for an official quotation of our Bonds. The application for listing of the Bonds will be made to the Designated Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our Bonds are not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus Tranche – I. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at BSE are taken within 12 Working Days from the Issue Closing Date.

For the avoidance of doubt, it is hereby clarified that in the event of non subscription to any one or more of the Series of Bonds, such Bonds with Series of Bonds shall not be listed.

84. Undertaking by the Issuer

We undertake that:

- a) the complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Trading Members) shall be attended to by us expeditiously and satisfactorily;
- b) we shall take necessary steps for the purpose of getting the Bonds listed within the specified time;
- c) the funds required for dispatch of refund orders/ Allotment Advice/ certificates by registered post shall be made available to the Registrar by our Company;
- d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the Bonds are outstanding;
- e) we shall forward the details of utilisation of the funds raised through the Bonds duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
- f) we shall disclose the complete name and address of the Debenture Trustee in our annual report;
- g) we shall provide a compliance certificate to the Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of Bonds as contained in the Shelf Prospectus and the Prospectus Tranche – I; and
- h) we shall make necessary disclosures/ reporting under all legal or regulatory requirements as may be applicable to our Company from time to time.

DETAILS PERTAINING TO THE COMPANY

Our Company was incorporated as Power Finance Corporation Limited on July 16, 1986 as a public limited company under the Companies Act and was granted a certificate of commencement of business on December 31, 1987. We were incorporated by the GoI in order to finance, facilitate and promote power sector development in India with the President of India, acting through the MoP, holding 100% of our paid up equity share capital at the time of incorporation. The President of India, acting through the MoP, currently holds 73.71% of our paid up Equity Share capital. For further details, see the section titled “History and Certain Corporate Matters” on page 110 of the Shelf Prospectus.

Registered and Corporate Office

‘Urjanidhi’, 1, Barakhamba Lane, Connaught Place,
New Delhi - 110 001, India.
Telephone: + 91 11 2345 6000
Facsimile: + 91 11 2341 2545
Website: www.pfc.gov.in

For details on changes in our Registered Office, see the section titled “History and Certain Corporate Matters” on page 110 of the Shelf Prospectus.

Registration

Details	Registration/Identification number
Company registration number	24862
Corporate Identification Number	L65910DL1986GOI024862
RBI registration number classifying Company as an IFC	B-14.00004
RBI registration for carrying out the business of an NBFC	14.00004

Address of the Registrar of Companies

The Registrar of Companies
National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower, 61, Nehru Place
New Delhi 110 019, India
Telephone: +91 11 2623 5704
Facsimile: +91 11 2623 5702

Director (Finance)*

Mr. Radhakrishnan Nagarajan
‘Urjanidhi’, 1, Barakhamba Lane,
Connaught Place, New Delhi - 110 001, India.
Telephone: +91 11 2345 6000
Facsimile: +91 11 2341 2545

*Our Company does not have a designated Chief Financial Officer. Mr. Radhakrishnan Nagarajan is the whole – time finance director who heads the finance functions of our Company.

CAPITAL STRUCTURE

Details of Equity Share capital

The following table lays down details of our authorised, issued, subscribed and paid up Equity Share capital as of September 30, 2013:

(₹ in crores)

	Aggregate value
Authorised share capital	
2,000,000,000 Equity Shares	2000.00
Issued, subscribed and paid up Equity Share capital	
1,320,036,831 Equity Shares	1320.03
Securities premium account*	4094.81

*Including Premium for other securities

For further details, please refer section “Capital Structure” on page 62 of the Shelf Prospectus.

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

OUR MANAGEMENT

As per the Articles of Association, the number of Directors shall not be less than three and not more than 12. As on date of the Shelf Prospectus, there are 9 Directors on our Board consisting of three executive directors and six non-executive Directors including one government nominee and five independent Directors. The appointment, as well as terms and conditions of employment of whole-time Directors including the chairman and managing Director are also approved by GoI.

Our Board

The details of our Board as on the date of the Shelf Prospectus are as follows:

S. No.	Name	Designation
1.	Mr. Mukesh Kumar Goel	Chairman and Managing Director# & Director (Commercial) and Whole-time Director
2.	Mr. Radhakrishnan Nagarajan*	Director (Finance) and Whole-time Director
3.	Mr. Anil Kumar Agarwal	Director (Projects) and Whole-time Director
4.	Mr. Badri Narayan Sharma	Government nominee Director
5.	Mr. Ajit Prasad	Independent Director
6.	Mr. Krishna Mohan Sahni	Independent Director
7.	Mr. J.N. Prasanna Kumar	Independent Director
8.	Mr. V.M. Kaul	Independent Director
9.	Shri Yogesh Chand Garg	Independent Director

* Our Company does not have a designated Chief Financial Officer. Mr. Radhakrishnan Nagarajan is the whole – time finance director who heads the finance functions of our Company.

#Mr. Mukesh Kumar Goel has assumed additional charge of Chairman and Managing Director in pursuance of MoP order No. 8/4/2012-PFC dated September 13, 2013.

Relationship with other Directors

None of the Directors of the Company are related to each other.

DEBT - EQUITY RATIO

Long term debt to equity ratio.

The long term debt to equity ratio of our Company prior to this Issue is based on a total long term outstanding debt of ₹ 121150.86 crores, and shareholders' funds, amounting to ₹ 24054.12 crores which was 5.04 times as of March 31, 2013. The long term debt to equity ratio post the Issue (assuming full subscription of ₹ 3875.90 crores is 5.20 times, based on a total long term outstanding debt of ₹ 125026.76 crores and shareholders' funds of ₹ 24054.12 crores.

(In ₹ crores)

Particulars	Prior to the Issue (as of March 31, 2013)	Post-Issue*
Debt		
Short term debt	18431.85	18431.85
Long term debt	121150.86	125026.76
Total debt	139582.71	143458.61
Shareholders' fund		
Share capital	1320.02	1320.02
Reserves and surplus excluding revaluation reserve	22734.10	22734.10
Total shareholders' funds	24054.12	24054.12
Long term debt/ equity	5.04	5.20
Total debt/ equity	5.80	5.96

* Any change in total debt and shareholders' fund after March 31, 2013 has not been considered.

FINANCIAL INFORMATION

STATEMENT OF STANDALONE ASSETS & LIABILITIES

(₹ in crore)

	As at 31.03. 2013	As at 31.03. 2012	As at 31.03. 2011	As at 31.03. 2010	As at 31.03. 2009
A EQUITY & LIABILITIES					
(1) Share Holders' Funds					
(i) Share Capital	1320.02	1319.93	1147.77	1147.77	1147.77
(ii) Reserves & Surplus	22734.10	19387.59	14034.72	12113.02	10360.05
	24054.12	20707.52	15182.49	13260.79	11507.82
(2) Non-Current Liabilities					
(i) Long Term Borrowing					
Secured	6636.67	5361.55	235.36	0.00	0.00
Un-secured	114514.19	90505.43	69748.67	54913.28	43197.77
	121150.86	95866.98	69984.03	54913.28	43197.77
(ii) Deferred Tax Liabilities (Net)	219.79	87.43	82.97	46.95	55.47
(iii) Other Long Term Liabilities	539.80	550.64	678.38	777.98	930.62
(iv) Long Term Provisions	162.33	41.98	25.20	21.48	15.45
(3) Current Liabilities					
(i) Current Maturity of Long term Borrowing (Unsecured)	9612.08	10187.73	9323.50	9870.01	7562.38
(ii) Short-Term Borrowing					
Secured	860.55	294.47	913.04	625.12	0.00
Un-secured	7959.22	3776.73	5378.00	1700.00	1400.00
(iii) Other Current Liabilities	5063.82	3799.68	2783.10	2010.03	1838.91
(iv) Short Term Provisions	193.99	261.90	283.53	214.23	210.24
	23689.66	18320.51	18681.17	14419.39	11011.53
Total	169816.56	135575.06	104634.24	83439.87	66718.66
B ASSETS					
(1) Non-current Assets					
(i) Fixed Assets					
Tangible Assets	101.39	98.88	94.73	90.80	95.33
Less: Accumulated Depreciation	30.83	27.13	22.95	19.62	21.79
	70.56	71.75	71.78	71.18	73.54
Intangible Assets	7.87	6.86	4.21	2.41	2.00
Less: Accumulated Amortization	4.09	2.60	1.56	0.82	0.39
	3.78	4.26	2.65	1.59	1.61
Capital Works in Progress	0.00	0.45	2.28	1.73	0.00
(ii) Non-Current Investments	12.00	12.00	12.00	12.00	12.00
Trade	175.18	43.34	38.05	15.60	16.00
Others					
(iii) Long Term Loans					
Secured	107157.80	73480.17	57074.51	45889.21	37343.29
Un-Secured	35336.84	38536.75	30349.18	24852.64	19720.10
	142494.64	112016.92	87423.69	70741.85	57063.40
(iv) Other Non Current Assets	376.07	133.52	263.52	89.84	129.88

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

		As at 31.03. 2013	As at 31.03. 2012	As at 31.03. 2011	As at 31.03. 2010	As at 31.03. 2009
	(v) Foreign Currency Monetary Item Translation Difference A/c	477.97	515.41	0.00	0.00	0.00
(2)	Current Assets					
	(i) Current Investments	3.83	3.83	3.83	3.83	7.57
	(ii) Cash and Bank Balances	4753.81	1988.20	2350.26	1394.30	392.23
	(iii) Current Maturity of Long Term Loans					
	Secured	12318.01	9411.32	6290.27	3484.23	2785.55
	Un-Secured	3137.84	2465.71	3751.01	2680.69	2975.50
	(iv) Short Term Loans					
	Secured	1,000.00	2,267.02	500.00	0.00	0.00
	Un-Secured	1,416.11	3,910.85	1,605.77	2,948.99	1,604.54
	(v) Other Assets	3576.76	2730.48	2319.13	1994.04	1656.56
		26,206.36	22,777.41	16,820.27	12,506.08	9,421.95
	Total	169816.56	135575.06	104634.24	83439.87	66718.66

STATEMENT OF STANDALONE PROFITS

(₹ in crore)

Description	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
Revenue from Operations					
(a) Interest	17243.75	12975.70	10038.87	8005.83	6540.04
(b) Other Financial Services	16.52	39.15	89.62	(3.73)	17.33
Other Income					
Other Income	12.28	22.26	32.07	74.76	26.17
Total (I+II)	17272.55	13037.11	10160.56	8076.86	6583.54
EXPENSES					
Interest, Finance and Other Charges	10991.08	8464.66	6423.90	4912.24	4432.92
Bond Issue expenses	97.33	196.89	63.05	43.79	65.68
Employee benefit expenses	80.94	72.08	67.09	71.70	44.64
Provision for contingencies	80.85	142.79	31.79	(0.57)	2.17
Provision for decline in value of investments	(0.00)	(0.02)	(0.06)	(1.52)	1.49
Depreciation and Amortization expenses	5.70	5.42	5.05	3.81	4.12
Other Expenses	58.42	51.87	25.53	34.34	42.07
Prior Period Items (net)	(8.81)	(0.83)	0.07	(0.13)	(0.02)
Total	11305.51	8932.86	6616.42	5063.66	4593.07
Profit before exceptional and extraordinary items and tax (III-IV)	5967.04	4104.25	3544.14	3013.20	1990.47
Exceptional items	0.00	0.00	0.00	0.00	0.00
Profit before extraordinary items and tax (V-VI)	5967.04	4104.25	3544.14	3013.20	1990.47
Extraordinary items	0.00	0.00	0.00	0.00	0.00

Profit Before Tax (VII-VIII)	5967.04	4104.25	3544.14	3013.20	1990.47
Tax Expenses					
(1) Current Tax					
for current year	1543.57	1070.87	898.99	800.27	492.02
for earlier years	(128.49)	(2.82)	(10.45)	(135.79)	(32.61)
	1415.08	1068.05	888.54	664.48	459.41
(2) Deferred Tax liability(+)/ Asset(-)	132.36	4.46	36.02	(8.53)	(439.63)
Less(-)/Add(+): Provision for fringe benefit tax	0.00	0.00	0.00	0.00	0.73
Profit (Loss) for the period from continuing operations (IX-X)	4419.60	3031.74	2619.58	2357.25	1969.96

REGULATIONS AND POLICIES

For further details, please refer section 'Regulations and Policies' on page 105 of the Shelf Prospectus.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no criminal prosecutions, tax proceedings and other outstanding litigations against our Company that may have a material adverse effect on our Company's business, and there are no pending criminal prosecutions against our Directors.

A. LITIGATION AGAINST OUR COMPANY:

1. Criminal Cases

The Allahabad division of the northern central railway filed a criminal miscellaneous writ petition, bearing number 28928 of 2009, before the Allahabad High Court on May 17, 2009 against NSDL, CDSL and others, including our Company. The petition has been filed in relation to a fraudulent transfer of securities and bonds owned by the northern central railway, valuing ₹ 2.94 crores and an ongoing investigation by the Central Bureau of Investigation pertaining to the transfer. Certain bonds issued by our Company were a part of the securities allegedly fraudulently transferred. The Petitioners have prayed for issuance of directions to the Central Bureau of Investigation to expeditiously complete the investigation and to also direct our Company, along with certain other respondents, to disallow further transfer of the securities and freeze the account where the sale proceeds of the aforesaid securities are deposited, during the pendency of the writ. The court, by its interim order dated July 3, 2009 stayed the encashment and remittance of the amount. The matter is currently pending.

2. Consumer Complaints

(i) Mr. Bir Singh Kaushik filed a consumer complaint, bearing number 789 of 2011 on December 6, 2010 before the District Consumer Disputes Redressal Forum at Rohtak, against our Company and M/s Alankit Assignments Limited. The complainant has alleged lesser payment by our Company on redemption of bonds held by the Complainant as of March 15, 2010 amounting to ₹ 8,346. The complainant has prayed for our Company to be directed to pay ₹ 8,346 along with interest and also for payment of compensation of ₹ 50,000/- and litigation expenses amounting to ₹ 5,500/-. Our Company filed its reply on December 6, 2011. The matter is currently pending.

(ii) Mr. Ashok Kumar Goel filed a consumer complaint, bearing number 148 of 2011 on July 6, 2011 before the District Consumer Disputes Redressal Forum at Muzaffarnagar against our Company and Karvy Computershare Private Limited, stating that the complainant had applied for allotment of 700 shares in the FPO and paid the required application money amount of ₹ 1,42,000 while the amount payable was ₹ 1,42,100 and hence the application was rejected due to insufficient funds. The complainant has demanded ₹ 5,000 on account of financial loss caused to him and ₹ 25,000 as compensation. Our Company filed its reply on December 12, 2011. The matter is currently pending.

3. Miscellaneous Proceedings involving our Company

(i) Tata Power Company Limited filed a writ petition bearing number 62 of 2009 on

January 3, 2009 before High Court of Delhi, challenging the award of a contract for the supply of power on long term basis from thermal power station at Sasan, Madhya Pradesh by GoI to Reliance Power Limited, the bidding process for which was conducted by our Company. The writ petition was dismissed by the final judgment and order dated April 13, 2009 of the High Court of Delhi, against which the petitioner filed a special leave petition bearing number 11586 of 2009, before the Hon'ble Supreme Court. The petitioner alleged that the GoI had, subsequent to the award of the contract, made changes in the terms/ basis on which tenders had been invited and made, thereby conferring enormous benefit to Reliance Power Limited. The court pursuant to its order dated August 8, 2012 has directed GoI to file the copies of Comptroller and Auditor General's report on coal and final views on allowing diversion of coal. The matter is currently pending.

- (ii) Two civil writ petitions have been filed by Mr. Tenzing Bhutia and Ms. Sonam Lama, the petitioners filed Public Interest Litigations, bearing numbers 101 of 2012 and 102 of 2012 respectively, on March 21, 2012 before the Hon'ble Supreme Court against the State of Sikkim, Ministry of Environment and Forest, National Wildlife Board and the Company, among others. Pursuant to an order of the Supreme Court dated May 8, 2012, the petitions was transferred to the High Court of Sikkim at Gangtok on May 29, 2012, now bearing numbers 22 of 2012 and 23 of 2012 respectively. The petitioners are part of the Bhutia community of Sikkim and also members of the Sikkim Bhutia Lepcha apex committee, and have prayed against the implementation of the Tashiding hydro electric project, for which our Company provided funding along with other public financial institutions project stating that the Project is being constructed and implemented in the area of religious significance to the Bhutia Lepcha community, in contravention of the Places of Worship (Special Provisions) Act of 1991, extended to Sikkim in 1998. The Petitioners have prayed for issuance of directions to the State of Sikkim to cancel the Project, to the Ministry of Environment and Forest along with the wildlife board to withhold or withdraw clearance granted to the Project and to the financial institutions restraining them from lending further public money in the Project. The matter is currently pending.
- (iii) Mr. M. Ravi, an employee of our Company, filed a writ petition bearing number 8174 of 2010 before the High Court of Delhi on December 2, 2010 against the decision of the Union of India rejecting his promotion on the ground that a criminal case was pending against him. The complainant had joined our Company on July 22, 1988 as a deputy manager in the finance department, and was suspended for alleged involvement in irregular transfer of funds during July 1990 to May 1991, because of which he was not promoted to the post of a manager. In the petition, he has prayed for quashing of his suspension order and for issuance of directions to our Company to promote him to the post of a general manager with effect from July 01, 2005 along with all consequential and financial benefits. The matter is currently pending. The next date is yet to be fixed.
- (iv) M/s Misha Power Private Limited filed a writ petition bearing number 13183 of 2012 against Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") and others, including our Company, before the High Court of Judicature at Madras. The petitioner has challenged the bidding process by TANGEDCO with regard to certain automatic power factor correction panels and associated materials for dynamic reactive power compensation system under Part 'B' of the R-APDRP programme and prayed TANGEDCO to be directed to continue with the above-mentioned tender. Our Company has been included as a respondent in the said petitioner in its capacity as a nodal agency under the R-APDRP programme and no relief has been prayed for against us. Our Company has filed an application before the court praying for the deletion of its name as a respondent on September 24, 2012 and a petition seeking the same relief on October 4, 2012. The matter is currently pending.
- (v) M/s Kuljit Singh, the petitioner filed a writ petition bearing number 5146 of 2011 on behalf of M/s Ernst & Young Limited ("E&Y"), before the High Court of Delhi, challenging the debarment of E&Y by our Company vide its order dated July 19, 2011 pursuant to a show cause notice dated June 20, 2011 issued by the MoP and letter to E&Y dated July 14, 2011 from our Company, for acts of omission and commission in the evaluation of a certain ultra mega power project. The court, by its order dated July 22, 2011, stayed the operation of the debarment with the clarification that such stay would however, not entitle the petitioner to deal with our Company. E&Y also filed miscellaneous applications

for the stay of show cause notice issued on September 9, 2011 and subsequently on September 19, 2011 for an amendment to the original application filed by them. Pursuant to directions from the MoP, the miscellaneous applications were amended on October 13, 2011. The matter is currently pending.

Simultaneously, the petitioner had in response to the show cause notice date June 20, 2011 formally invoked arbitration by filing an application on July 5, 2011 before the Indian Council of Arbitration ("ICA"), which was accepted by the ICA on August 1, 2011. Our Company wrote a letter to the ICA on August 27, 2011 stating that the arbitration proceedings were premature since the petitioner had not approached our Company for amicable settlement first. Further, our Company filed a writ petition bearing number 319 of 2012 on January 13, 2012 before the High Court of Delhi, against ICA and the Petitioner challenging the validity and appointment of the arbitral tribunal. By an order dated January 16, 2012, the court granted ex parte ad interim stay on the arbitration proceedings. In response, the petitioner filed civil miscellaneous application number 1619 of 2012 on January 30, 2012 for early hearing of the writ petition as well as a letters patent appeal bearing number 61 of 2012 dated January 24, 2012 challenging the order dated January 16 2012 staying the arbitration proceedings. The matter is currently pending.

- (vi) A civil writ petition has been filed as a Public Interest Litigation by one Shri Natarajan the titled as bearing numbers 13712 of 2012, before the Madurai bench of Madras High Court against eight respondents (PFC has been impleaded as respondent No.8) narrating the suffering of the people in Tamilnadu due to non availability of continuous electricity and has advocated Solar energy to minimise the energy crisis. The petitioner has prayed the Hon'ble High Court for a direction to the Respondents to distribute solar panel, photovoltaic cell and ancillary apparatuses at 90 percent subsidy to all the eligible family card holders. The Counsel has informed us that the WP was admitted by the Hon'ble High Court and notice was issued to all the defendants to appear/file the Counter 02.01.2013. PFC's reply/counter has been filed in the court on 04.03.2013. The matter is currently pending.

B. LITIGATION BY OUR COMPANY

For further details regarding Litigation By Our Company please refer to the Shelf Prospectus

C. INCOME TAX DISPUTES

Appeals preferred by the Income Tax Department

Assessment Year 2004-2005

The Additional Commissioner of Income Tax, Range 14, New Delhi, raised a demand against our Company pursuant to an assessment order dated January 31, 2005, rectified by an order dated February 15, 2005 by disallowing deductions on account of bad and doubtful debts u/s 36(1)(vii)(c), special reserve under section 36(1)(viii) and exempted income under section 10(23G) and making addition of income not recognised in the books of accounts. Our Company's income was assessed to be ₹ 11,86,57,04,000/- as compared to the income declared by our Company, amounting to ₹ 1021,72,09,650/-. Our Company filed an appeal bearing number 296 of 2004-05 on March 01, 2005 before the CIT (Appeals), New Delhi. The CIT (Appeals), New Delhi by an order dated March 25, 2010 granted us full relief in respect of provision for bad & doubtful debt u/s 36(1)(vii)(c) and exempted income u/s 10(23G) and partial relief in respect of special reserve u/s 36(1)(viii). Against the order of CIT(Appeals) allowing allocation of expenses to ineligible incomes for the purpose of computing special reserve, the Assistant Commissioner of Income Tax, LTU, New Delhi ("ACIT") filed an appeal before ITAT, New Delhi bearing number 2877/Del-2010 on June 9, 2010. On October 22, 2010, the appeal was dismissed with a right of revival on receipt of COD approval. In view of a recent Supreme Court judgment, COD approval is no longer required. Therefore an application for revival of appeal was filed by ACIT on April 27, 2011. The matter is currently pending. The amount in dispute is ₹ 22.22 crore.

Assessment Year 2005-2006

The Additional Commissioner of Income Tax, Range-14, New Delhi raised a demand against our Company pursuant to an assessment order dated July 27, 2006 by partly disallowing deductions on account of bad and doubtful debts under section 36(1)(vii)(c), special reserve under section 36(1)(viii) and exempted income under section 10(23G). Our Company's income was assessed to be ₹ 7,43,74,03,974/- as compared to the income declared by our Company, amounting to ₹ 6,79,13,77,187/- Our Company filed an appeal bearing number 29/CIT(A)XVII/Del/2006-07 before

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

the CIT (Appeals), New Delhi. The CIT (Appeals), New Delhi by an order dated June 28, 2010 granted us full relief in respect of provision for bad & doubtful debt u/s 36(1)(viii)(c) and exempted income u/s 10(23G) and partial relief in respect of special reserve u/s 36(1)(vii). Against the order of CIT(Appeals) allowing allocation of expenses to ineligible incomes for the purpose of computing special reserve, the ACIT filed an appeal bearing number 4231/Del-2010 before the ITAT on September 10, 2010. The appeal is currently pending. The amount in dispute is ₹ 21.13 crore.

Assessment Year 2006-2007

The Additional Commissioner of Income Tax, Range-14, New Delhi raised a demand against our Company pursuant to an assessment order dated December 31, 2007 by partly disallowing deductions on account of bad and doubtful debts under section 36(1)(viii)(c), special reserve under section 36(1)(vii) and exempted income under section 10(23G). Our Company's income was assessed to be ₹ 7,61,15,61,983/- as compared to the income declared by our Company, amounting to ₹ 6,46,04,40,690/- Our Company filed an appeal bearing number 106/CIT(A)XVII/Del/2007-08 on February 13, 2008 before the CIT (Appeals), New Delhi. The CIT (Appeals), New Delhi by an order dated June 28, 2010 granted us full relief in respect of provision for bad & doubtful debt u/s 36(1)(viii)(c) and exempted income u/s 10(23G) and partial relief in respect of special reserve u/s 36(1)(vii). The ACIT filed an appeal bearing number 4232/Del-2010 before the ITAT on September 10, 2010. The appeal is currently pending. The amount in dispute is ₹ 21.68 crore.

Material Developments

Since the date of the last financial statements dated March 31, 2013 the following are the material developments:

- (i) As on July 15, 2013 our Company has allotted 4255 shares under employee stock option to 82 allottees at the rate of ₹ 186.05 per share and 17565 equity shares at the rate of ₹ 170.75 per share respectively.
- (ii) Our company has raised an amount of ₹ 1124.10 crores vide private placement of tax free bonds on August 30, 2013.
- (iii) Our Company had filed a Draft Shelf Prospectus with BSE on August 22, 2013 and with SEBI on August 23, 2013, which was subsequently withdrawn on August 23, 2013 from BSE and August 26, 2013 from SEBI.

RECENT DEVELOPMENTS

Our Company in its 27th annual General Meeting held on September 26, 2013 has declared final dividend of ₹ 1 per share confirmed the interim dividend of ₹ 6 per share.

There are no recent developments in relation to our Company as disclosed in the sections titled "Risk Factors", "Selected Financial Information", "Capital Structure", "Summary of Business", "Our Business", "Regulations and Policies", "Our Management", "History and Certain Corporate Matters", "Financial Indebtedness", "Outstanding Litigations and Material Developments" and "Main Provisions of the Articles of Association of the Company" in the Shelf Prospectus which would make them misleading in any material respect.

All disclosures made in the Prospectus Tranche – I, read together with the Shelf Prospectus as the "Prospectus" with respect to this Issue are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed Issue. The Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The CBDT has by the CBDT Notification, authorised our Company to raise the Bonds aggregating to ₹ 5000 crores in Fiscal 2014. Our company has already raised an amount of ₹ 1124.10 crores. Our Company proposes to raise the amount of ₹ 3875.90 crores* through this Issue of the Bonds in one or more tranches prior to March 31, 2014.

*Our Company is also considering the raising of funds through private placements of the Bonds in one or more tranches during the process of the present Issue, at its discretion. Our Company will ensure that Bonds issued through public issue and/or

on private placement basis together shall not exceed ₹ 5000 crores and the Bonds issued on private placement basis shall not exceed 30% of the total allocated limit.

As per newly notified Section 31 of Companies Act, 2013, any class of companies as prescribed by SEBI, may file a shelf prospectus, however, presently no such class of companies has been prescribed by SEBI. Further, as per Section 29 of Companies Act, 2013 it is mandatory for companies making a public offer to offer securities in dematerialised form only. Our company vide its letters dated September 16, 2013 and September 19, 2013 sought approval from SEBI to file a shelf prospectus and for issuing securities also in physical, respectively. SEBI has granted both the above mentioned approvals to our Company vide letter no. IMD/DOF-1/BM/VA/OW/24427/2013 dated September 24, 2013.

The Board of Directors, at their meeting held on March 22, 2013 have approved the Issue of Taxable bond/ Tax free bonds (having benefits under section 10(15)(iv)(h) of the Income Tax Act)/Perpetual bond/ Infrastructure Bond/ Zero Coupon bonds in one or more series or tranche(s), of secured/ unsecured, redeemable, non-convertible, cumulative/ non-cumulative debentures, for an amount up to ₹ 28,850 crores, subject to the provisions of the CBDT Notification.

Eligibility to make the Issue

Our Company, the persons in control of our Company or our promoter have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force.

Consents

Consents in writing of the Directors, the Compliance Officer, the Statutory Auditors, Bankers to the Company, Lead Managers, Members of the Consortium, the Registrar to the Issue, the Legal Counsel to the Issue, Credit Rating Agencies and the Debenture Trustee, to act in their respective capacities, have been obtained and shall be filed along with a copy of each respective Tranche Prospectus(es) with the RoC.

Our Company has appointed IL & FS Trust Company Limited as Debenture Trustee under regulation 4(4) of the SEBI Debt Regulations. The Debenture Trustee has given its consent to our Company for its appointment under regulation 4(4) and also in all the subsequent periodical communications sent to the holders of the Bonds.

Expert Opinion

Except for the report dated August 12, 2013 on our audited consolidated financial statements for the Fiscals 2013, 2012, 2011, 2010, 2009, and the statement of tax benefits issued by our Auditors, our Company has not obtained any expert opinions in relation to the Issue.

Common Form of Transfer

There shall be a common form of transfer for the Bonds held in physical form and relevant provisions of the Companies Act and all other applicable laws shall be duly complied with in respect of all transfer of the Bonds and registration thereof.

Minimum Subscription

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise. Our Company has decided to set no minimum subscription for the Issue.

No Reservation or discount

There is no reservation in this Issue nor will any discount be offered in this Issue to any Investors.

Previous public issues or rights issues by our Company during the last five years

1. Our Company came out with a public issue of long term infrastructure bonds of face value of ₹ 5000.0 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount upto ₹ 5300.00 crores in February 2011. The amount mobilised through this issue was ₹ 235.36 crore. These long term infrastructure bonds are outstanding as on the date of the Shelf Prospectus. The issue opened on February 24, 2011 and closed on March 22, 2011. The date of allotment and the date of refund was March 31, 2011. The long term infrastructure bonds offered pursuant to such issue were listed on April 11, 2011 on BSE.
2. Our Company came out with a further public offering of 229,553,340 Equity Shares at a premium of ₹193 per Equity Share in May 2011 ("FPO"). The FPO comprised of a fresh issue of 172,165,005 Equity Shares and an offer for sale of 57,388,335 Equity Shares by the President of India, acting through the MoP, which incorporated an employee reservation portion of 275,464 Equity Shares. Discount of 5% to the issue price of the FPO, determined pursuant to

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

completion of the book building process was offered to eligible employees and to retail bidders. The FPO opened on May 10, 2011 and closed on May 12, 2011 for bidders who were Qualified Institutional Buyers and May 13, 2011 for all other categories of bidders. The date of allotment of Equity Shares offered in the FPO was May 24, 2011 and the date of refund was May 24, 2011. The Equity shares offered pursuant to the FPO were listed on May 27, 2011 on the Stock Exchanges.

3. Our Company came out with a public issue of long term infrastructure bonds of face value of ₹ 5000 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 200.00 crores with an option to retain an oversubscription upto the shelf limit (i.e. ₹ 6,900.00 crores) in September 2011. The amount mobilised through this issue was ₹ 95.64 crore. These long term infrastructure bonds are outstanding as on the date of the Shelf Prospectus. The issue opened on September 29, 2011 and closed on November 04, 2011. The date of allotment was November 21, 2011 and the date of refund was November 23, 2011. The long term infrastructure bonds offered pursuant to such issue were listed on December 2, 2011 on BSE.
4. Our Company came out with a public issue of tax free bonds of face value of ₹ 1000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 1000.00 crores with an option to retain an oversubscription upto the shelf limit (i.e. ₹ 4033.13 crores) in December 2011. These tax free bonds are outstanding as on the date of the Shelf Prospectus. The issue opened on December 30, 2011 and closed on January 16, 2012. The date of allotment was February 1, 2012 and the date of refund was February 3, 2012. The tax free bonds offered pursuant to such issue were listed on February 14, 2012 on the BSE.
5. Our Company came out with a public issue of tax free bonds tranche - I of face value of ₹ 1000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 1000.00 crores with an option to retain an oversubscription upto the shelf limit (i.e. ₹ 4590.00 crores) in December 2012. These tax free bonds are outstanding as on the date of the Shelf Prospectus. The issue opened on December 14, 2012 and closed on December 27, 2012. The date of allotment was January 4, 2013 and the date of refund was January 7, 2013. The tax free bonds offered pursuant to such issue were listed on January 10, 2013 on the BSE.
6. Our Company came out with a public issue of tax free bonds tranche - II of face value of ₹ 1000.00 each at par, in the nature of secured, redeemable, non-convertible debentures for an amount aggregating ₹ 100.00 crores with an option to retain an oversubscription upto the residual shelf limit (i.e. ₹ 3890.25 crores) in February 2013. These tax free bonds are outstanding as on the date of the Shelf Prospectus. The issue opened on February 18, 2013 and closed on March 19, 2013. The date of allotment was March 28, 2013 and the date of refund was March 30, 2013. The tax free bonds offered pursuant to such issue were listed on April 03, 2013 on the BSE.

Commission or brokerage on previous public issues

The following are details of commission and brokerage paid by the Company, along with appropriate service taxes by the Company on public issues over the last five years:

Sr. no.	Public issue	Brokerage/ Commission paid (in ₹ crore)
1	Public issue of tax – free bonds tranche - I for Fiscal 2013	3.32
2	Public issue of tax – free bonds tranche - II for Fiscal 2013	0.91
3	Public issue of tax – free bonds for Fiscal 2012	46.54
4	Public issue of long term infrastructure bonds for Fiscal 2012	1.27
5	Further public offering of Equity Shares	7.09*
6	Public issue of long term infrastructure bonds for Fiscal 2011	2.87

* ₹ 1.77 crore was reimbursed by the Department of Disinvestment

Change in the auditors of our Company during the last three years

Details of change in our auditors for the last three years is as follows:

Name	Address	Date of Appointment	Date of Resignation	Remarks
Raj Har Gopal & Co.	412, Ansal Bhawan 16, K.G. Marg New Delhi – 110 001	July 12, 2010	August 1, 2013	-
N.K. Bhargava & Co.	C-31, 1st Floor, Acharya Niketan Mayur Vihar Phase-I New Delhi – 110 091	August 17, 2011	-	-
M/s K.B. Chandna & Co.	Chartered Accountants, E-27, South Extension – II, New Delhi -110049	August 2, 2013	-	-

Revaluation of assets

Our Company has not revalued its assets since its incorporation.

Utilisation of Proceeds

The funds raised through this Issue will be utilised towards general lending operations of the Company and other associated business objectives and to discharge existing debt obligations which were generally undertaken for business operations. Such utilisation of Issue Proceeds shall be in compliance with various guidelines/regulations/clarifications issued by RBI, SEBI or any other statutory authority from time to time. For more information pertaining to utilisation of proceeds, see the section titled “Objects of the Issue” on page 66 of the Shelf Prospectus.

99. Statement by the Board of Directors

- i) All monies received out of the each Tranche Issue to the public shall be transferred to a separate bank account other than the bank account referred to in section 40 of the Companies Act, 2013;
- ii) Details of all monies utilised out of the each Tranche Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised; and
- iii) Details of all unutilised monies out of the each Tranche Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.
- iv) The funds raised by us from our previous bonds issues have been utilised for our business as stated in their respective offer documents.

Disclaimer clause of the Designated Stock Exchange

“BSE Limited (“the Exchange”) has given vide its letter dated September 24, 2013, permission to the Company to use the Exchange’s name in this offer document as one of the stock exchanges on which the Company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose deciding on the matter of granting the aforesaid permission to this Company.

The Exchange does not in any manner:-

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of the Company; and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Disclaimer Clause of the RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED JULY 28, 2012 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY.

Disclaimer in Respect of Jurisdiction

The Issue is being made in India, to:

Foreign Institutional Investors and sub-accounts (other than a sub account which is a foreign corporate or foreign individual) registered with SEBI including Sovereign Wealth Funds, Pension and Gratuity Funds registered with SEBI as FIIs; Public Financial Institutions, scheduled commercial banks, multilateral and bilateral development financial institutions, state industrial development corporations, which are authorised to invest in the Bonds; Provident funds and pension funds with minimum corpus of ₹ 25 crores, which are authorised to invest in the Bonds; Insurance companies registered with the IRDA; National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; Insurance funds set up and managed by the army, navy or air force of the Union of India or set up and managed by the Department of Posts, India; Mutual funds registered with SEBI; and Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

Companies within the meaning of clause 20 of section 2 of the Companies Act, 2013; Statutory bodies/corporations; Cooperative banks; Trusts including Public/ private charitable/religious trusts; Limited liability partnership; Regional rural banks; Partnership firms; QFIs not being an individual; Association of Persons; Societies registered under the applicable law in India and authorized to invest in Bonds; and Any other legal entities incorporated in India and authorised to invest in the Bonds, subject to compliance with the relevant regulations applicable to such entities.

Resident Indian individuals; Hindu Undivided Families through the Karta; Non Resident Indians on repatriation as well as non-repatriation basis.; and QFIs being an individual, applying for an amount aggregating to above ₹10 lakhs across all Series of Bonds in each Tranche Issue.

Resident Indian individuals; Hindu Undivided Families through the Karta; Non Resident Indians on repatriation as well as non-repatriation basis; and QFIs being an individual, applying for an amount aggregating upto and including ₹ 10 lakhs across all Series of Bonds in each Tranche Issue.

The Shelf Prospectus and the respective Tranche Prospectus will not, however constitute offers to sell or an invitation to subscribe for the Bonds offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Shelf Prospectus and the respective Tranche Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

US disclaimer

Nothing in the Shelf Prospectus constitutes an offer of securities for sale in the United States or any other jurisdiction where it is unlawful to do so. The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (“**Securities Act**”), or the securities laws of any state of the United States or other jurisdiction and the Bonds may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. The Shelf Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Each other purchaser of the Bonds will be required to represent and agree, among other things, that (i) such purchaser is a non-U.S. person acquiring the Bonds in an

“offshore transaction” in accordance with Regulation S, and (ii) any reoffer, resale, pledge or transfer of the Bonds by such purchaser will not be made to a person in the United States or to a person known by the undersigned to be a U.S. Person, in each case in accordance with all applicable securities laws.

EU disclaimer

No offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “**Prospectus Directive**”) has been or will be made in respect of the Issue or otherwise in respect of the Bonds, in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue or otherwise in respect of the Bonds.

Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions of the Bonds and the information contained in the Shelf Prospectus read with the respective Tranche Prospectus.

Track Record of past issues handled by the Lead Managers

The track record of past issues handled by ICICI Securities Limited, A.K. Capital Services Limited, Axis Capital Limited and Edelweiss Financial Services Limited are available at www.icicisecurities.com, www.akcapindia.com, www.axiscapital.co.in and www.edelweissfin.com respectively.

Listing

The Bonds are proposed to be listed on the BSE, the Designated Stock Exchange.

If the permission to list and trade the Bonds is not granted by BSE, our Company shall forthwith repay, all such moneys received from the Applicant in pursuance of the relevant Tranche Prospectus and section 40 of the Companies Act, 2013. If default is made, our Company and every officer in default will liable to fine as prescribed in section 40 of the Companies Act, 2013

Our Company shall use best efforts to ensure that all steps for the completion of the necessary formalities for listing at BSE will be taken within 12 Working Days from the Issue Closing Date.

Dividend

For details of dividends paid by our Company for the financial years ended March 31, 2009, 2010, 2011, 2012 and 2013, see the section titled “Annexure B – Financial Statements”.

Our Company in its 27th annual General Meeting held on September 26, 2013 has declared final dividend of ₹ 1 per share and confirmed the interim dividend of ₹ 6 per share.

Mechanism for redressal of investor grievances

Karvy Computershare Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints. All grievances relating to the Issue should be addressed to the Registrar to the Issue giving full details of the applicant, number of Bonds applied for, amount paid on application and the bank branch or collection centre where the application was submitted etc.

RISK FACTORS

Prospective investors should carefully consider all the information in the Shelf Prospectus, including the risks and uncertainties described below, and under the section titled “Our Business” on page 84 of the Shelf Prospectus and under “Financial Statements” in Annexure B of the Shelf Prospectus, before making an investment in the Bonds. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business prospects, results of operations and financial condition. If any of the following or any other risks actually occur, our business prospects, results of operations and financial condition could be adversely affected and the price of, and the value of your investment in the Bonds could decline and you may lose all or part of your redemption amounts and/ or interest amounts.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in the below risk factors. The numbering of risk factors has been done to facilitate ease of reading and reference, and does not in any manner indicate the importance of one risk factor over another.

In this section, unless the context otherwise requires, a reference to the "Company", "we", "us" and "our" is a reference to Power Finance Corporation Limited. Unless otherwise specifically stated in this section, financial information included in this section have been derived from our standalone financial statements for Fiscal 2009, 2010, 2011, 2012 and 2013. For further information, see the section titled "Certain Conventions, Use of Financial, Industry and Market Data and Currency of Presentation" on page 13 of the Shelf Prospectus.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

1. *We have a significant concentration of outstanding loans to certain borrowers, particularly public sector power utilities, many of which are historically loss-making, and if these loans become non-performing, the quality of our asset portfolio may be adversely affected.*
2. *We may not be able to recover, or there may be a delay in recovering, the expected value from security and collaterals for our loans, which may affect our financial condition.*
3. *We have granted loans to private sector borrowers on a non-recourse or limited recourse basis, which increases the risk of non-recovery and may adversely affect our financial condition.*
4. *With power sector financing industry becoming increasingly competitive, our growth will depend on our ability to maintain a low effective cost of funds; inability to do so could have a material adverse effect on our business, financial condition and results of operations.*
5. *The escrow account mechanism and the trust and retention account arrangements implemented by us as a quasi-security mechanism in connection with the payment obligations of our borrowers may not be effective, which could adversely affect our financial condition and results of operations.*
6. *Accounts for the quarter ending June 30, 2011 for our Company have been subject to limited review by statutory auditors, as the case may be and have not been audited. Audited performance may be materially different from the present results.*
7. *We are involved in a number of legal proceedings that, if determined against us, could adversely impact our business and financial condition.*
8. *Our borrowers' insurance of assets may not be adequate to protect them against all potential losses to which they may be subject, which could affect our ability to recover the loan amounts due to us.*
9. *Our interest income and profitability is dependent on the continued growth of our asset portfolio. Any declines in our net interest margins in the future can have a material adverse effect on our business, financial condition and results of operations.*
10. *As an NBFC and an IFC, we are required to adhere to certain individual and borrower group exposure limits prescribed by the RBI. Any change in the regulatory regime may adversely affect our business, financial condition and results of operations.*
11. *We have been granted exemption from applicability of prudential norms by the RBI until March 2013. We cannot assure that such exemption shall continue to be granted by RBI which if not granted may affect our business.*
12. *Our contingent liabilities in the event they were to materialize could adversely affect our business, financial condition and results of operations.*
13. *If the level of non-performing assets in our loan portfolio were to increase, our financial condition would be adversely affected.*
14. *The power sector in India and our business and operations are regulated by, and are directly and indirectly dependent on, GoI policies and support, which make us susceptible to any adverse developments in such GoI policies and support.*
15. *We currently engage in foreign currency borrowing and lending and we are likely to continue to do so in the future, which will expose us to fluctuations in foreign exchange rates, which could adversely affect our financial condition and results of operations.*
16. *Certain of our SEB borrowers have been restructured and we have not yet entered into definitive loan agreements with such restructured entities, which could affect our ability to enforce applicable loan terms and related State government guarantees.*
17. *We may incur shortfalls in the advance subsidy received under the Accelerated Generation and Supply Programme ("AG&SP") scheme of the GoI, which may affect our financial condition.*
18. *If we are unable to manage our growth effectively, our business and financial results could be adversely affected.*
19. *We might not be able to develop or recover costs incurred on our Ultra Mega Power Projects and our failure to do so may have an adverse effect on our profitability.*
20. *Our agreements regarding certain of our joint venture arrangements or investments in other companies contain restrictive covenants, which limit our ability to transfer our shareholding in such ventures.*
21. *We benefit from certain tax benefits available to us as a lending institution. If these tax benefits are no longer available to us it would adversely affect our business, financial condition and results of operations.*
22. *We may make equity investments in power sector in the future and such investments may erode/ depreciate.*
23. *We are subject to restrictive covenants under our credit facilities that could limit our flexibility in managing our business.*
24. *Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons. The loss of key personnel may have an adverse effect on our business, results of operations, financial condition and ability to grow.*
25. *Power projects carry certain risks, which to the extent they materialize could adversely affect our business and financial performance.*
26. *Negative trends in the Indian power sector or the Indian economy could adversely affect our business and financial performance.*
27. *We have certain cash credit facilities which can be recalled by our lenders at any time that may affect our financial condition adversely.*
28. *A decline in our capital adequacy ratio could restrict our future business growth.*
29. *We have entered and may enter into certain transactions with related parties, which may not be on an arm's length basis or may lead to conflicts of interest.*
30. *Our Directors may have interests in companies/ entities similar to ours, which may result in a conflict of interest that may adversely affect future financing opportunity referrals.*
31. *We have negative cash flows from operations in recent periods. There is no assurance that such negative cash flows from operations shall not recur in the future.*
32. *Our insurance may not be adequate to protect us against all potential losses to which we may be subject.*
33. *We may face asset-liability mismatches which could affect our liquidity and consequently may adversely affect our operations, profitability and/or cash flows.*
34. *We may not be able to identify attractive financing or investment opportunities, or provide financing to or make investments in such identified opportunities, which may adversely affect our financial condition and results of operations.*
35. *We may fail to obtain certain regulatory approvals in the ordinary course of our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses which may have a material adverse effect on the continuity of our business and may impede our effective operations in the future.*
36. *We are subject to stringent labour laws, thus making it difficult for us to maintain flexible human resource policies, which could have an adverse effect on our business, financial condition and results of operations.*
37. *Some of the properties taken on lease by us may have certain irregularities in title, as a result of which our operations may be impaired.*

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

38. *We have not entered into any definitive arrangements to utilise the net proceeds of the Issue towards the objects of this Issue.*
39. *We may become liable for the acts or omissions of external consultants engaged by PFCCL.*
40. *Any cross default of financial indebtedness would trigger payment to all other borrowings made by PFC thereby adversely affecting the liquidity position of our Company.*
41. *Significant differences exist between Indian GAAP and IFRS which may be material to investors' assessment of our financial condition.*
42. *There is a significant risk due to changes in environment norms being followed for the thermal power projects with the corporation's main focus for financing of thermal projects, it may pose problems in future.*
43. *As the Company adopts IT, the risk exists for the possibilities of IT frauds.*
63. *Changes in interest rates may affect the price of the Bonds.*
64. *Any downgrading in credit rating of our Bonds may affect the trading price of our Bonds and our ability to raise funds.*
65. *Payments made on the Bonds will be subordinated to certain tax and other liabilities preferred by law.*
66. *Foreign investors, including NRIs and FIIs subscribing to the Bonds are subject to risks in connection with (i) exchange control regulations, and, (ii) fluctuations in foreign exchange rates.*
67. *Risks relating to any international regulations, taxation rules may apply on the FIIs/NRIs and other foreign entities as the Issue may be marketed to FIIs, NRIs and other foreign investors*

For detailed Risk Factors, please refer to section 'Risk Factors' on page 15 of the Shelf Prospectus.

RISKS RELATING TO THE INDIAN ECONOMY

44. *A slowdown in economic growth in India could adversely impact our business.*
45. *Private participation in the power sector in India is dependent on the continued growth of the Indian economy and regulatory developments in India. Any adverse change in policy/ implementation/ industry demand may adversely affect us.*
46. *Significant shortages in the supply of crude oil, natural gas or coal could adversely affect the Indian economy and the power sector projects to which we have exposure, which could adversely affect our Company.*
47. *Political instability or changes in GoI could delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact our financial results and prospects.*
48. *Difficulties faced by other financial institutions or the Indian financial sector generally could cause our business to suffer.*
49. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.*
50. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.*
51. *Our ability to raise foreign currency borrowings may be constrained by Indian law.*
52. *Any downgrading of our debt rating or India's sovereign rating by a credit rating agency could have a negative impact on our business.*
53. *The Indian and global financial sector is very competitive and the ability of banks and financial institutions to grow depends on their ability to compete effectively.*
54. *There may be other changes to the regulatory framework that could adversely affect us.*
55. *Direct capital market access by our borrowers could adversely affect us.*
56. *Recent global economic conditions have been unprecedented and challenging and have had, and continue to have, an adverse effect on the Indian financial markets and the Indian economy in general, which has had, and may continue to have, a material adverse effect on our business, financial condition and results of operations.*
57. *Companies operating in India are subject to a variety of central and state government taxes and surcharges.*

RISKS RELATING TO THE BONDS

58. *There has been no prior public market for the Bonds and it may not develop in the future, and the price of the Bonds may be volatile.*
59. *The Bonds are classified as 'tax free bonds' eligible for tax exemption under section 10(15)(iv)(h) of the Income Tax Act, up to an amount of interest on such bonds.*
60. *There is no guarantee that the Bonds issued pursuant to this Issue will be listed on BSE in a timely manner, or at all.*
61. *You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/ or the interest accrued thereon, in connection with the Bonds.*
62. *A debenture redemption reserve will be created, only up to an extent of 25% for the Bonds.*

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Shelf Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Business Days at the Registered and Corporate Office of our Company situated at 'Urjanidhi', 1 Barakhamba Lane, Connaught Place, New Delhi 110001, India between 10.00 a.m. and 5.00 p.m. on any Business Day (Monday to Friday) during which issue is open for public subscription under the respective Tranche Prospectus(es).

For further details, please refer to the Shelf Prospectus and Prospectus Tranche-1.

DECLARATION

We, the undersigned, hereby declare that all the relevant provisions of the Companies Act, 1956, as amended, relevant provisions of Companies Act, 2013, the guidelines issued by the Government of India and the regulations and guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, have been complied with and no statement made in the Shelf Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992, the applicable provisions of the Companies Act, 2013 as on the date of the Shelf Prospectus or rules and regulations made thereunder, as the case may be.

We further certify that all the statements in the Shelf Prospectus are true and correct and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that the Shelf Prospectus does not contain any mis-statements.

Signed by the Board of Directors of the Company

Mr. Mukesh Kumar Goel
Chairman and Managing Director;
Director (Commercial)

Mr. Anil Kumar Agarwal
Director (Projects)

Mr. Ajit Prasad
Independent Director

Mr. J. N. Prasanna Kumar
Independent Director

Mr. Yogesh Chand Garg
Independent Director

Place: New Delhi
Date: October 5, 2013

Mr. Radhakrishnan Nagarajan
Director (Finance)

Mr. Badri Narayan Sharma
Director (Government Nominee)

Mr. Krishna Mohan Sahni
Independent Director

Mr. V. M. Kaul
Independent Director

FOR FURTHER DETAILS, PLEASE REFER TO
THE PROSPECTUS - TRANCHE I AND THE SHELF PROSPECTUS.

IN THE NATURE OF FORM2A - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS TRADING MEMBERS

The Trading Members shall accept Application Forms only in such Cities/ Towns where the Banking Branches (Escrow Banks) are available. Details of such branches of the Escrow Banks where the application form along with the Cheque/ Demand Draft submitted by a Non ASBA applicant shall be deposited by the trading members are available on the Website of NSE at www.nseindia.com.

LIST OF SELF CERTIFIED SYNDICATE BANKS (SCSBs) UNDER THE ASBA PROCESS

Sr.	Bank	Controlling Branch	Contact Person	Tel no.	Fax no.
1	Axis Bank Ltd.	9th Floor, Solaris, C-Wing, Opp L&T Gate No 6, Saki Vihar Road, Powai, Mumbai – 400072	Mr. Kirit Rathod, Vice President	022-40754981/82/83/, 9820850829	022-40754996
2	State Bank of Hyderabad	Gunfoundry, Hyderabad - 500 001	Mr. Ashok Kulkarni	040-23387325	040-23387743
3	Corporation Bank	Capital Market Branch, 1st Floor, Earnest House NCPA Marg, Nariman Point, Mumbai-400021	Mr Amod Kumar	022-841406/22842764/9870340031	022-22843823
4	State Bank of Travencore	Anakachery Buildings, Y M C A Road, Statue, Thiruvananthapuram-695001	Mr. P. P. Muraliedharan	0471-2333676	0471-2338134
5	IDBI Bank Ltd	IDBI Bank Limited, Central Processing Unit, Sarju House, 3rd Floor, Plot No. 90, Road No. 7, Andheri (East), Mumbai – 400 093	Mansi Shukla/Meenakshi Khangarot	022-66700659 / 66700660	022-66700669/708
6	State Bank of Bikaner & Jaipur	State Bank of Bikaner and Jaipur, P.R. Road, Jaipur-302005	Shri Arun Paliwal	0141-4003380, 09413398771	0141-2365219
7	YES Bank Ltd.	YES Bank Limited, Ticcicon House, Second Floor, Dr. E Moses Road, Mahalaxmi, Mumbai 400011	Mahesh Shirali / Manoj Bisht/	022 66229031 / 9164 / 9070	022 24974875
8	Punjab National Bank	Capital Market Services Branch, PNB House, Fort, Sir P.M.Road, Mumbai	Sh. K K Khurana	Tel – 022- 22621122, 22621123,	022-22621124
9	Deutsche Bank	Sidrah, 110, Swami Vivekananda Road, Khar (West), Mumbai- 400052	Mr. Manish Kulkarni	022-6600 9428	022-66009666
10	Union Bank of India	Mumbai Samachar Marg, Fort, Mumbai - 400 023.	Mr. O.P. Jain/K.I. Damniwala	022-22629411/22629404	022-22642787
11	HDFC Bank Ltd.	FIG – OPS Department , HDFC Bank Ltd, Lodha - I Think Techno Campus O-3 Level, Next to Kanjurmarg, Railway Station, Kanjurmarg (East), Mumbai - 400042	Mr. Deepak Rane/ Mr. Uday Dixit	022-30752928 / 022-30752927	022-25799801
12	Bank of Baroda	Mumbai Main Office, Mumbai Samachar Marg, Fort, Mumbai - 400 023.	Mr. Sonu A. Arekar	40468314, 40468307	022-22835236
13	ICICI Bank Ltd.	Capital Market Division, Fort	Mr. Roshan Tellis	022-22627600	022-22611338
14	Vijaya Bank	Head Office Building, 41/2, M.G. Road, Bangalore	Mr. Vithaldas Acharya	080-25584281	080-25584281
15	Bank of Maharashtra	Fort Branch, 1st Floor, Jammangal, 45/47, Mumbai Samachar Marg, Mumbai – 400023	A D Deshpande (A.G.M.)	022-22694160, 22652595	022-22681296
16	State Bank of India	Capital Market Branch, Videocon Heritage, Klick House, Opp. Mtn Office, Charanjit Rai Marg, Fort, Mumbai-400 001	Ms Vidya Krishnan	022 22094927, 022 22094932	022-22650747
17	Andhra Bank	18, Homi Modi Street, Nanavati Mahalaya, Fort Branch, Mumbai-400023.	Mr.K.Umamaheswaram Chief Manager; Mr.T.V. Rao Sr.Manager (Operations)	022-22046160, 022-22046160	022-22046160
18	HSBC Ltd.	3rd Floor, PCM Dept. Umang, Plot CTS No. 1406-A/28, Mindspace, Malad (West) Mumbai 400 064 (address of IPO Operations office)	Mr Jagrut Joshi	(022) 67115485/9870403732	(022) 66536005
19	Kotak Mahindra Bank Ltd.	Kotak Infinity, 6th Floor, Building No. 21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Malad (E)	Sanjay Sawant	+ 91 22 66056587	+91 22 66056642
20	Bank of India	Stock Exchange Branch, Phiroze Jeebhoy Tower, (New Stock Exchange Bldg), P. J. Tower, Dalal Street, Fort, Mumbai – 400 023.	Shri B.B.Sharma, Manager	022-2272 1677 (Direct) 022-2272 2399 (Board)	022-2272 1782
21	CITI Bank	Citigroup Center, Plot No C-61, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	S Girish	022-26535504 98199 12248	022-26535824
22	IndusInd Bank	Premises No. 1, Sonawala Building 57, Mumbai Samachar Marg, Fort, Mumbai 400 001	Mr. Yogesh Adke	9833670809, 022-66366589	022-66366590
23	Allahabad Bank	Allahabad Bank, Fort Branch, 37, Mumbai Samachar Marg Post Box No. 282, Mumbai, Maharashtra 400 023	Shri S. K. Jain Chief Manager	(022)- 22655739, 22662018	(022)- 22661935
24	Karur Vysya Bank Ltd.	Demat Cell, First Floor, No 37, Whites Road, Royapettah, Chennai - 600 014	Nori Subrahmanyam	044- 28518265	044-28518269
25	The Federal Bank Limited	ASBA CELL, Retail Business Dept., Federal Bank, Marine Drive, Ernakulam 682031	Dhanya Dominic	0484-2201847	04842385605
26	Indian Bank	Nandanam Branch- 480 Anna Salai, Nandanam 600035	Mr. V Muthukumar, Mr. M Veerabahu	044 24330233	044 24347755
27	Central Bank of India	Ground floor, Central Bank of India, Central Bank Building, Fort, Mumbai 400001	Mr. Vineet Bansaj	022-22623148, 22623149	022-22623150
28	Oriental Bank of Commerce	67, Bombay Samachar Marg, Sonawala Building, Fort, Mumbai -400001	Shri B.K. Palrecha (AGM)	022-22654791/95	022-22654779
29	Standard Chartered Bank	Crescenzo, 3 rd Floor, C/3839, G-Block, Opp. MCA Club, Bandra- Kurla Complex, Bandra(E), Mumbai 400 051	Ms. Priscilla Dsilva	+91 22 26757227/234	+91 22 26757358
30	J.P. Morgan Chase Bank	J.P. Morgan Tower, Off C.S.T. Road, Kalina Santacruz - East, Mumbai - 400 098	Nandita Halady	6157 3833	6157 3910
31	Uttan Nagrik Sahakari Bank Ltd.	Opp samratheshwar mahadev, Nr, Law Garden, Ellisbridge.	Miti shah	9879506795	07926564715
32	UCO Bank	Mumbai Main (Retail) Br., UCO Bank Bldg., D. N. Road, Mumbai- 400 023	Manager	022 40180105	02222870754
33	Canara Bank	Merchant Banking Division, 407-412, 4 th Floor, Himalaya House, 79, Mata Ramabai Ambedkar Marg, Mumbai 400 001	Mr. K. S. Prasanna	022-022-22677405 / 406	022-22677404
34	United Bank of India	Global Cash Management Services Hub, 4th Floor, United Bank of India, United Tower, Head Office, 11, Hemanta Basu Sarani, Kolkata – 700 001.	AGM (CMS & Demat)	03322624175	03322624176
35	Syndicate Bank	Capital Market Services Br. 26A, First Floor, SyndicateBank bldg. P.M.road, Fort, Mumbai - 1	P Padmavathy Sundaram, Chief Manager	022-22621844	022-22700997
36	South Indian Bank	ASBA Cell (NODAL OFFICE) 1 st Floor, SIB Building, Market Road, Ernakulam – 682035, Kerala, India.	John K Mechery	09645817905	0484-2351923
37	Indian Overseas Bank	Chennai DP Branch, Mezzanine Floor, Cathedral Branch, 762, Anna Salai, Chennai 600 002	Mr. R.S. Mani / Mr. M. Sasikumar	044-28513616/ 28513617/	044- 28513619
38	Tamilnad Mercantile Bank Ltd.	Depository Participant Services Cell, Third Floor, Plot No.4923, Ac/16, 2Nd Avenue, Anna Nagar (West), Chennai - 600 040, Tamilnadu, India	Mr. K. Natarajan	044-26192552	044-26204174
39	City Union Bank Limited	48, Mahalakshmi St., T.Nagar, Chennai - 600 017. Tamil Nadu.	Sivaraman	044 - 24340010, 24343517, 9380286558.	044 - 24348586
40	BNP Paribas	French Bank Bldg., 62, Homji Street, Fort, Mumbai – 400 001	Mr. Prem Mariwala	022-66501376	022-66501620
41	The Kalupur Commercial Co-Operative Bank Ltd	alupur Bank Bhavan, Nr. Income Tax Circle, Ashram Road, Ahmedabad-380 014	Jay V. Pathak Manager	079-27582028	079-40014118/ 40014149
42	Bank of America NA	EA Chambers, Express Avenue 8th Floor No. 49, 50L, Whites Road, Royapettah Chennai 600014	Swaminathan Ganapathy	044-42904526	044-43528911
43	The Lakshmi Vilas Bnak Ltd	64, dr.v.b.gandhi marg, p.b.no.1783, kalaghoda, fort mumbai, great mumbai district, maharashtra-400001	Raghu Nagarajan	22-22672255-22672247(M)- 22673435(CM)	22670267
44	State Bank of Patiala	CO 99-102, Sector - 8C, Chandigarh	Shri. Amarjit Singh Girm	0172-2779116, 2546124, 09779586096	0172-2546080
45	State Bank of Mysore	P.B.No.1066, #24/28, Cama Building, Dalal Street, Fort, Mumbai-400 001.	Mr.Rajeshwar Das, Manager	09022469176	022-22656346
46	The Surat Peoples Co-op Bank Ltd	Central Office. Vasudhara Bhavan, Timaliyawad, Nanpura, Surat – 395001	Mr. Iqbal Shaikh	0261-2464577	0261-2464577,592
47	The Dhanlaxmi Bank Limited	The Dhanlaxmi Bank Ground Floor, Jammaboomi Bhavan, Plot 11 -12, Jammaboomi Marg, Fort Mumbai, Maharashtra - 400 001	Gunavati karkera	022 – 2202535	022-22871637
48	The Saraswat Co-operative Bank Ltd.	Madhushree, Plot No. 85, 4thFloor, District Business Centre, Sector – 17, Vashi, Navi Mumbai – 400703	Mr. A. A. Bhatia	(O) 27884161 27884162, (M) 9820505121	27884153
49	DBS Bank Ltd	DBS Bank Ltd, Fort House, 221, Dr. D.N. Road, Fort, Mumbai, 400 001	Amol Natekar	+91 22 6613 1213	+91 22 6752 8470
50	Dena Bank	Dena Bank, Capital Market Branch, 17, B, Horniman Circle, Fort, Mumbai – 400023	Branch Manager	022-22661206, 22702881	022-22694426 22702880
51	Karnataka Bank Ltd	Mangalore-H O Complex Branch, Mahaveera Circle, Kankanady, Mangalore – 575002	Ravindrath Baglodi [Sr.Manager]	Ph: 0824-2228139 /140 /141	Fax: 0824-2228138
52	The Ahmedabad Mercantile Co-Op. Bank Ltd	Head office :- "Amco House", Nr. Stadium Circle, Navrangpura, Ahmedabad-09	Bimal P Chokshi	079-26426582-84-88	079-26564863
53	Ing Vysya Bank Ltd	CMS HUB, NO 20 VITHAL MALLY ROAD, EDEN PARK, BANGALORE -560001	Yoganand J, Akshay Hegde	080-22532135, 080-25005316	080-22532111
54	Janata Sahakari Bank Ltd.	N.S.D.L. Department, Bharat Bhavan, 1360, Shukrawar Peth, Pune - 411002.	Shri Ajit Manohar Sane	020-24431011, 020-24431016 +91-9503058993	020-24431014

ASBA Applicant may approach any of the above banks for submitting their application in this Offer. For the complete list of SCSB's and their Designated Branches please refer to the website of SEBI (<http://www.sebi.gov.in>). A list of SCSBs is also displayed on the website of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively.