

Independent Auditor's Review Report on Unaudited Standalone Financial Results for the Quarter Ended 30th June 2020 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Power Finance Corporation Limited (the "Company") for the quarter ended 30.06.2020 together with the notes thereon (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors of the Company, in its meeting held on 13.08.2020, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatements.

Other Matters

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



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

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

FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

by the hand of


CA MANOJ BHARDWAJ

Partner

Membership No. 098606

UDIN: 20098606AAAA CF 2848

Date: 13.08.2020

Place: New Delhi

FOR DASS GUPTA & ASSOCIATES

Chartered Accountants

Firm's Registration No.: 000112N

by the hand of


CA ASHOK KUMAR JAIN

Partner

Membership No. 090563

UDIN: 20090563AAAAA Z 2936

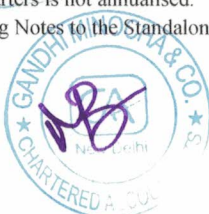
Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi
Statement of Standalone Financial Results for the Quarter Ended 30.06.2020

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
	Revenue from Operations				
(i)	Interest Income	8,749.01	8,285.26	7,531.30	31,950.42
(ii)	Dividend Income	-	1,262.87	0.47	1,289.52
(iii)	Fees and Commission Income	8.66	4.25	45.55	122.96
I.	Total Revenue from Operations	8,757.67	9,552.38	7,577.32	33,362.90
II.	Other Income	16.75	0.20	5.25	8.16
III.	Total Income (I+II)	8,774.42	9,552.58	7,582.57	33,371.06
	Expenses				
(i)	Finance Costs	5,676.18	5,550.32	5,366.13	21,853.19
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	232.64	1,752.03	(23.66)	2,633.42
(iii)	Fees and Commission Expense	2.98	4.10	2.41	10.76
(iv)	Net Loss / (Gain) on Fair Value changes	114.53	(436.50)	(2.73)	(699.05)
(v)	Impairment on Financial Instruments	353.04	432.70	221.39	991.22
(vi)	Employee Benefit Expenses	50.55	37.97	49.98	193.82
(vii)	Depreciation, Amortisation and Impairment	1.94	2.90	1.72	9.10
(viii)	Corporate Social Responsibility Expenses	205.06	52.55	10.44	97.15
(ix)	Other Expenses	11.15	28.70	16.26	88.91
IV.	Total Expenses	6,648.07	7,424.77	5,641.94	25,178.52
V.	Profit/(Loss) Before Exceptional Items and Tax (III-IV)	2,126.35	2,127.81	1,940.63	8,192.54
VI.	Exceptional Items	-	-	-	-
VII.	Profit/(Loss) Before Tax (V-VI)	2,126.35	2,127.81	1,940.63	8,192.54
	Tax Expense:				
	(1) Current Tax:				
	- Current Year	437.20	275.89	571.87	1,406.73
	- Earlier Years	43.52	17.75	-	17.75
	(2) Deferred Tax	(53.93)	399.17	(14.00)	1,112.92
VIII.	Total Tax Expense	426.79	692.81	557.87	2,537.40
IX.	Profit/(Loss) for the period from Continuing Operations (VII-VIII)	1,699.56	1,435.00	1,382.76	5,655.14
X.	Profit/(Loss) from Discontinued Operations (After Tax)	-	-	-	-
XI.	Profit/(Loss) for the period (from continuing and discontinued operations) (IX+X)	1,699.56	1,435.00	1,382.76	5,655.14
XII.	Other Comprehensive Income				
(A)	(i) Items that will not be reclassified to Profit or Loss				
	- Re-measurement of Defined Benefit Plans	(1.27)	(2.37)	(0.91)	(5.09)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	6.20	(212.46)	18.14	(287.11)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss				
	- Re-measurement of Defined Benefit Plans	0.26	0.14	0.42	0.08
	Sub-Total (A)	5.19	(214.69)	17.65	(292.12)
(B)	(i) Items that will be reclassified to Profit or Loss				
	- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	(84.52)	(66.94)	11.07	(46.74)
	- Cost of Hedging Reserve	6.47	-	-	-
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss				
	- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	21.27	16.85	(3.87)	4.23
	- Cost of Hedging Reserve	(1.63)	-	-	-
	Sub-Total (B)	(58.41)	(50.09)	7.20	(42.51)
	Other Comprehensive Income (A+B)	(53.22)	(264.78)	24.85	(334.63)
XIII.	Total Comprehensive Income for the period (XI+XII)	1,646.34	1,170.22	1,407.61	5,320.51
XIV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	2,640.08	2,640.08	2,640.08	2,640.08
XV.	Other Equity	NA	NA	NA	42,524.05
	(As per Audited Balance Sheet as at 31st March)				
XVI.	Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:				
	(1) For continuing operations (in ₹)	6.44	5.44	5.24	21.42
	(2) For discontinued operations (in ₹)	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	6.44	5.44	5.24	21.42

* EPS for the quarters is not annualised.

See accompanying Notes to the Standalone Financial Results.



Notes:

1	The unaudited standalone financial results have been reviewed & recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 13.08.2020. The same have been limited reviewed by Gandhi Minocha & Co., Chartered Accountants and Dass Gupta & Associates, Chartered Accountants in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.			
2	The unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.			
3	Details of credit impaired loans and impairment loss allowance thereon (including on commitments) maintained by the Company as per Ind AS 109 is as under: <div style="text-align: right;">(₹ in crore)</div>			
	S. No.	Particulars	As on 30.06.2020	As on 31.03.2020
	a)	Credit Impaired loans	26,534.66	27,871.70
	b)	Impairment Loss Allowance Maintained	14,476.78	14,748.46
	c)	Impairment Loss Allowance Coverage (%) (b/a)	54.56%	52.92%
4	As a matter of prudence, income on credit impaired loans is recognised as and when received and/ or on accrual basis when expected realisation is higher than the loan amount outstanding.			
5	For all the secured bonds issued by the Company and outstanding as at 30.06.2020, 100% security cover has been maintained by way of mortgage on specified immovable properties and/or charge on receivables of the Company.			
6	In the context of reporting business / geographical segment as required by Ind AS 108 - "Operating Segments", the Company's operations comprise of mainly one business segment - lending to power sector entities. Hence, there is no reportable segment as per Ind AS 108.			
7	The outbreak of COVID-19 has caused significant disturbances in the financial markets across the globe. However, with the easing of lockdown restrictions across the country, the economic activities are gradually resuming. The situation has been under close watch by the Company to take prompt actions for smooth operation of business. The impact of COVID-19 on the business operations of the Company is given at Annexure A.			
8	The name of Power Equity Capital Advisors Private Limited (a wholly owned subsidiary of the Company) has been struck off from the Register of Companies and the said subsidiary is dissolved vide Ministry of Corporate Affairs' Notice No –ROC/DELHI/248(2)/STK-7/10148 dated 30.06.2020.			
9	In the previous year, the Company had exercised the option of reduced Corporate tax rate of 25.168% (inclusive of applicable surcharge and cess) permitted under section 115BAA as introduced by the Taxation Laws (Amendment) Ordinance, 2019 promulgated on 20.09.2019. The impact of this change has been recognised as tax expense from the quarter and half year ended 30.09.2019 onwards in accordance with aforesaid ordinance. Hence, the total tax expense for the corresponding quarter ended 30.06.2019 is not comparable.			
10	The figures for the quarter ended 31.03.2020 have been derived by deducting the year to date unaudited figures for the period ended 31.12.2019 from the audited figures for the year ended 31.03.2020.			
11	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable.			

PLACE: NEW DELHI
DATE: 13.08.2020


R. S. DHILLON
 Chairman & Managing Director
 DIN - 00278074



The outbreak of COVID-19 has caused significant disturbances in financial structures across the globe. In India, nationwide lockdown was declared by Central Government from 25.03.2020 till 31.05.2020. However, with the easing of lockdown restrictions across the country, the economic activities are gradually resuming. The Company continues to leverage its technological capabilities to carry its operations remotely as well.

Although, some challenges are being faced by the borrower entities from temporary disruptions in their cash flows, leading to extended working capital cycles and deferment of capex plans. In these tough times, the Government and other regulators have been responding actively by introducing various measures to keep the economy functioning by easing out cash flow constraints. The Ministry of Power and Ministry of New and Renewable Energy have come up with various measures to ease out the challenges being faced by various power sector entities including reduction in late payment surcharge, waiver of fixed charges, and interest rate charges, ensuring "must-run" status to renewable energy generation facilities, etc.

The Government of India, as a part of its Covid-19 package announcement, has also announced liquidity injection of ₹ 90,000 crore to the State Discoms in the form of State Government guaranteed loans through the Company and its subsidiary viz. REC Ltd. Out of its portion of ₹ 45,000 crore, the Company has sanctioned an amount of ₹ 30,607.21 crore till 31.07.2020 under this scheme of liquidity package to eligible Discoms.

Further, in accordance with RBI guidelines relating to COVID-19 Regulatory Package dated 27.03.2020, 17.04.2020 and 23.05.2020, the Company has offered moratorium on payment of instalments falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. In pursuance of the moratorium policy, an amount of ₹ 11,497 crore falling due till 30.06.2020 has been granted moratorium. The days past due (DPD) calculation has been kept in suspension (staging standstill) for the accounts where moratorium is sanctioned, at the same level that existed on date of commencement of moratorium.

The Company continues to be well geared to meet its funding needs. It holds sufficient liquidity as well as adequate undrawn lines of credits from various banks. Considering high credit worthiness and well-established relationship of the Company with lenders, it can continue to mobilise sufficient funds from domestic & international markets.

In view of the above, the Management believes that there will not be significant impact of this outbreak in continuing its business operations, in maintaining its financial position and in assessing its ability to continue as a going concern. However, the impact of this pandemic on the Company will, inter alia, continue to be dependent on future developments relating to duration & severity of Covid-19, and any further actions by the Government & Regulatory bodies to contain its impact on the power sector and on the NBFCs. The Company shall also continue to closely monitor any material changes arising of uncertain future economic conditions and potential impact on its business.



Independent Auditor's Review Report on Consolidated Unaudited Financial Results for the Quarter Ended 30th June 2020 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

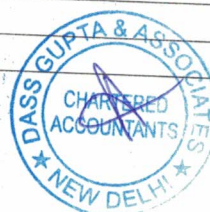
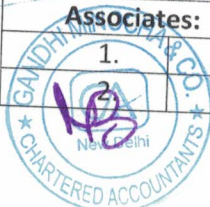
**To the Board of Director of
Power Finance Corporation Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Power Finance Corporation Limited (the 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group'), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates and joint venture for the quarter ended 30.06.2020 together with the notes thereon (the 'Statement') attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors in its meeting held on 13.08.2020, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

Parent	
1.	Power Finance Corporation Limited
Subsidiaries:	
1.	REC Limited [#]
2.	PFC Consulting Limited [#]
Joint Venture Entity:	
1.	Energy Efficiency Services Limited
Associates:	
1.	Coastal Maharashtra Mega Power Limited
	Orissa Integrated Power Limited



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

#consolidated financial results considered for consolidation

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

Other Matters

6. We did not review the unaudited financial results of one subsidiary included in the consolidated unaudited financial results, whose financial results reflect total revenue of ₹ 8,136.37 crore, total net profit after tax of ₹ 1,845.30 crore and total comprehensive income (net of tax) of ₹ 2,005.80 crore for the quarter ended 30.06.2020, as considered suitably in the consolidated unaudited financial results. These unaudited financial results have been reviewed by other auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above. The financial results of the subsidiary also includes share of net profit after tax of ₹ 2.28 crore and total comprehensive income (net of tax) of ₹ 2.28 crore for the quarter ended 30.06.2020 in respect of one joint venture (JV) which has not been reviewed. Since said JV is common JV in group accordingly these numbers are forming part of numbers mentioned in para 7 below.
7. The consolidated unaudited financial results includes the financial results of one other subsidiary which have not been reviewed, whose financial results reflect total revenue of ₹ 21.44 crore, total net profit after tax of ₹ 9.81 crore and total comprehensive income of ₹ 9.81 crore for the quarter ended 30.06.2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of ₹ 4.85 crore, total comprehensive income of ₹ 4.85 crore for the quarter ended 30.06.2020, as considered in the consolidated unaudited financial results, in respect of fifteen associates and one joint venture, based on their financial results which have not been reviewed. According to the information and explanations given to us by the Management, these financial results are not material to the Group.
8. The Parent Company and its Subsidiary, REC Ltd., have provided expected credit loss in respect of loan assets and undisbursed letter of comfort as required under Ind AS 109, on the basis of document provided by an independent expert appointed by the respective company. Since the calculation parameters require certain technical and professional expertise, we have relied upon the expected credit loss calculation so provided by the said independent expert(s).



9. Refer Note 8 of the consolidated unaudited financial results regarding the impact of COVID-19 pandemic on the group, its associates and joint venture. Management is of the view the there is no reason to believe that the pandemic will have any significant impact on the ability of the Group to continue as a going concern.

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

FOR GANDHI MINOCHA & CO.

Chartered Accountants

Firm's Registration No.: 000458N

by the hand of



CA MANOJ BHARDWAJ

Partner

Membership No.098606

UDIN: 20098606 AAAA C68988

FOR DASS GUPTA & ASSOCIATES

Chartered Accountants

Firm's Registration No.: 000112N

by the hand of



CA ASHOK KUMAR JAIN

Partner

Membership No. 090563

UDIN: 20090563 AAAA BA6722

Date: 13.08.2020

Place: New Delhi

Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi
Statement of Consolidated Financial Results for the Quarter Ended 30.06.2020

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
	Revenue from Operations				
(i)	Interest Income	16,855.71	16,044.21	14,508.55	61,628.35
(ii)	Dividend Income	-	68.21	0.47	105.65
(iii)	Fees and Commission Income	14.45	14.24	59.79	161.91
(iv)	Other Operating Income	43.89	66.07	25.93	293.53
I.	Total Revenue from Operations	16,914.05	16,192.73	14,594.74	62,189.44
II.	Other Income	18.19	61.92	10.38	85.92
III.	Total Income (I+II)	16,932.24	16,254.65	14,605.12	62,275.36
	Expenses				
(i)	Finance Costs	10,868.85	10,490.62	9,937.45	40,844.65
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	636.23	3,084.78	18.41	4,991.32
(iii)	Fees and Commission Expense	9.84	14.59	9.21	36.20
(iv)	Net Loss / (Gain) on Fair Value changes	(197.18)	(318.53)	187.85	(673.20)
(v)	Impairment on Financial Instruments	554.67	989.38	193.34	1,910.83
(vi)	Cost of Services Rendered	18.25	31.39	17.25	85.18
(vii)	Employee Benefit Expenses	88.68	87.59	107.19	399.72
(viii)	Depreciation, Amortisation and Impairment	5.57	7.59	5.12	24.43
(ix)	Corporate Social Responsibility Expenses	280.81	228.97	35.26	356.44
(x)	Other Expenses	45.46	65.83	42.35	228.55
IV.	Total Expenses	12,311.18	14,682.21	10,553.42	48,204.12
V.	Profit/(Loss) Before Exceptional Items and Tax (III-IV)	4,621.06	1,572.44	4,051.70	14,071.24
VI.	Exceptional Items	-	-	-	-
VII.	Share of Profit / (Loss) in Joint Venture and Associates	4.85	3.45	11.25	21.43
VIII.	Profit/(Loss) Before Tax (V-VI)+VII.	4,625.91	1,575.89	4,062.95	14,092.67
	Tax Expense:				
	(1) Current Tax:				
	- Current Year	1,037.94	569.75	1,157.02	3,004.98
	- Earlier Years	177.25	18.85	10.30	83.02
	(2) Deferred Tax	(146.51)	293.58	(4.11)	1,527.42
IX.	Total Tax Expense	1,068.68	882.18	1,163.21	4,615.42
X.	Profit/(Loss) for the period from Continuing Operations (VIII-IX)	3,557.23	693.71	2,899.74	9,477.25
XI.	Profit/(Loss) from Discontinued Operations (After Tax)	-	-	-	-
XII.	Profit/(Loss) for the period (from continuing and discontinued operations) (X+XI)	3,557.23	693.71	2,899.74	9,477.25
XIII.	Other Comprehensive Income				
(A)	(i) Items that will not be reclassified to Profit or Loss				
	- Re-measurement of Defined Benefit Plans	(1.27)	(13.20)	(0.91)	(7.96)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	71.15	(301.35)	(5.47)	(416.31)
	- Share of Other Comprehensive Income / (Loss) in Joint Venture accounted for using equity method	-	-	-	(0.30)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss				
	- Re-measurement of Defined Benefit Plans	0.26	2.86	0.42	0.80
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(2.82)	(0.40)	0.78	12.39
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	0.08	-	0.05
	Sub-Total (A)	67.32	(312.01)	(5.18)	(411.33)
(B)	(i) Items that will be reclassified to Profit or Loss				
	- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	(123.60)	(369.06)	11.07	(348.86)
	- Cost of Hedging Reserve	177.01	(273.61)	-	(273.61)
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	(0.80)	(3.13)	(3.94)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss				
	- Effective Portion of Gains and (Loss) on Hedging Instruments in Cash Flow Hedge	31.10	92.89	(3.87)	80.27
	- Cost of Hedging Reserve	(44.55)	68.86	-	68.86
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	-	-	-
	Sub-Total (B)	39.96	(481.72)	4.07	(477.28)
	Other Comprehensive Income (A+B)	107.28	(793.73)	(1.11)	(888.61)



XIV.	Total Comprehensive Income for the period (XII+XIII)	3,664.51	(100.02)	2,898.63	8,588.64
	Profit attributable to:				
	- Owners of the Company	2,683.20	469.20	2,185.00	7,122.13
	- Non-Controlling Interest	874.03	224.51	714.74	2,355.12
		3,557.23	693.71	2,899.74	9,477.25
	Other Comprehensive Income attributable to:				
	- Owners of the Company	31.26	(543.15)	11.19	(626.28)
	- Non-Controlling Interest	76.02	(250.58)	(12.30)	(262.33)
		107.28	(793.73)	(1.11)	(888.61)
	Total Comprehensive Income attributable to:				
	- Owners of the Company	2,714.46	(73.95)	2,196.19	6,495.85
	- Non-Controlling Interest	950.05	(26.07)	702.44	2,092.79
		3,664.51	(100.02)	2,898.63	8,588.64
XV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	2,640.08	2,640.08	2,640.08	2,640.08
XVI.	Other Equity	NA	NA	NA	46,759.72
	(As per Audited balance Sheet as at 31st March)				
XVII.	Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:				
	(1) For continuing operations (in ₹)	10.16	1.78	8.28	26.98
	(2) For discontinued operations (in ₹)	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	10.16	1.78	8.28	26.98

* EPS for the quarters is not annualised.

See accompanying Notes to the Consolidated Financial Results.



Notes:

1	The unaudited consolidated financial results have been reviewed & recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 13.08.2020. The same have been limited reviewed by Gandhi Minocha & Co., Chartered Accountants and Dass Gupta & Associates, Chartered Accountants in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.			
2	The unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.			
3	The consolidated financial results for the quarter ended 30.06.2020 of the Company include the quarterly limited reviewed consolidated financial results of one subsidiary; management approved consolidated financial results of one subsidiary; and management approved standalone financial results of fifteen associates & one joint venture entity. The financial results of these subsidiaries, joint venture entity and associates have been consolidated in accordance with Ind AS 110 - 'Consolidated Financial Statements', Ind AS 111 - 'Joint Arrangements' and Ind AS 28 - 'Investments in Associates and Joint Ventures'.			
4	Details of credit impaired loans and impairment loss allowance thereon (including on commitments) maintained by the Company and its subsidiary REC Ltd., as per Ind AS 109 is as under:			
			(₹ in crore)	
	S. No.	Particulars	As on 30.06.2020	As on 31.03.2020
	a)	Credit Impaired loans	46,745.40	49,127.25
	b)	Impairment Loss Allowance Maintained	25,166.64	25,300.59
	c)	Impairment Loss Allowance Coverage (%) (b/a)	53.84%	51.50%
5	As a matter of prudence, income on credit impaired loans is recognised as and when received and/ or on accrual basis when expected realisation is higher than the loan amount outstanding.			
6	For all the secured bonds issued by the Company and its subsidiary viz. REC Ltd. and outstanding as at 30.06.2020, 100% security cover has been maintained by way of mortgage on specified immovable properties and/or charge on receivables.			
7	In the context of reporting business / geographical segment as required by Ind AS 108 - "Operating Segments", the Group's operations comprise of mainly one business segment - lending to power sector entities. Hence, there is no reportable segment as per Ind AS 108.			
8	The outbreak of COVID-19 has caused significant disturbances in the financial structures across the globe. However, with the easing of lockdown restrictions across the country, the economic activities are gradually resuming. The situation has been under close watch by the Company to take prompt actions for smooth operation of business. The impact of COVID-19 on the business operations of the Group is given at Annexure A.			
9	The name of Power Equity Capital Advisors Private Limited (a wholly owned subsidiary of the Company) has been struck off from the Register of Companies and the said subsidiary is dissolved vide Ministry of Corporate Affairs' Notice No -ROC/DELHI/248(2)/STK-7/10148 dated 30.06.2020.			
10	In the previous year, the Company and its subsidiaries had exercised the option of reduced Corporate tax rate of 25.168% (inclusive of applicable surcharge and cess) permitted under section 115BAA as introduced by the Taxation Laws (Amendment) Ordinance, 2019 promulgated on 20.09.2019. The impact of this change has been recognised as tax expense from the quarter and half year ended 30.09.2019 onwards in accordance with aforesaid ordinance. Hence, the total tax expense for the corresponding quarter ended 30.06.2019 is not comparable.			
11	The figures for the quarter ended 31.03.2020 have been derived by deducting the year to date unaudited figures for the period ended 31.12.2019 from the audited figures for the year ended 31.03.2020.			
12	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable.			

PLACE: NEW DELHI
DATE: 13.08.2020




R. S. DHILLON
Chairman & Managing Director
DIN - 00278074

The outbreak of COVID-19 has caused significant disturbances in the financial structures across the globe. In India, nationwide lockdown was declared by Central Government from 25.03.2020 till 31.05.2020. However, with the easing of lockdown restrictions across the country, the economic activities are gradually resuming. The Group continues to leverage its technological capabilities to carry its operations remotely as well.

Although, some challenges are being faced by the borrower entities from temporary disruptions in their cash flows, leading to extended working capital cycles and deferment of capex plans. In these tough times, the Government and other regulators have been responding actively by introducing various measures to keep the economy functioning by easing out cash flow constraints. The Ministry of Power and Ministry of New and Renewable Energy have come up with various measures to ease out the challenges being faced by various power sector entities including reduction in late payment surcharge, waiver of fixed charges, and interest rate charges, ensuring "must-run" status to renewable energy generation facilities, etc.

The Government of India, as a part of its Covid-19 package announcement, has also announced liquidity injection of ₹ 90,000 crore to the State Discoms in the form of State Government guaranteed loans through the Company and its subsidiary viz. REC Ltd. The Group has sanctioned an amount of more than ₹ 60,000 crore till 31.07.2020 as part of this liquidity package to eligible Discoms.

Further, in accordance with RBI guidelines relating to COVID-19 Regulatory Package dated 27.03.2020, 17.04.2020 and 23.05.2020, the Company and its subsidiary viz. REC Ltd. have offered moratorium on payment of instalments falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. In pursuance of the moratorium policy, an amount of ₹ 21,635 crore falling due till 30.06.2020 has been granted moratorium. The days past due (DPD) calculation has been kept in suspension (staging standstill) for the accounts where moratorium is sanctioned, at the same level that existed on date of commencement of moratorium.

The Group continues to be well geared to meet its funding needs. It holds sufficient liquidity as well as adequate undrawn lines of credits from various banks. Considering high credit worthiness and well-established relationship of Group companies with lenders, it can continue to mobilise sufficient funds from domestic & international markets.

In view of the above, the Management believes that there will not be significant impact of this outbreak in continuing its business operations, in maintaining its financial position and in assessing its ability to continue as a going concern. However, the impact of this pandemic on the Group will, inter alia, continue to be dependent on future developments relating to duration & severity of Covid-19, and any further actions by the Government & Regulatory bodies to contain its impact on the power sector and on the NBFCs. The Group shall also continue to closely monitor any material changes arising of uncertain future economic conditions and potential impact on its business.

