

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

Prem Gupta & Company  
Chartered Accountants,  
2342, Faiz Road, Karol Bagh  
New Delhi – 110005

**Independent Auditor's Report on Quarterly and Year to date Standalone Financial Results of the Power Finance Corporation Limited Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015**

To  
The Board of Directors of  
Power Finance Corporation Limited  
Urjanidhi, 1, Barakhamba Lane,  
Connaught Place, New Delhi-110001

**Report on the Audit of Standalone Financial Results**

**Opinion**

1. We have audited the accompanying statement of standalone financial results ("the statement") of Power Finance Corporation Limited ("the Company") for the quarter and year ended 31<sup>st</sup> March, 2022, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

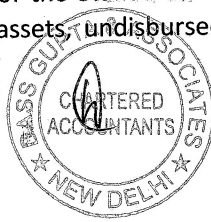
- i. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (IND AS), RBI guidelines and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended 31<sup>st</sup> March 2022 as well as the year to date for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

**Basis for Opinion**

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India ("ICAI") as specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.

**Emphasis of matter**

3. We draw attention to Note 6 of the Standalone financial results regarding the provision of impairment allowance in respect of loan assets, undischarged letter of comfort and guarantee. The Company has



recognized expected credit loss in respect of loan assets, undisbursed letter of comfort and guarantee as required under Ind AS 109, based on documents provided by independent expert agency appointed by the Company. Since the calculation parameters require certain technical and professional expertise, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by the said independent expert agency and management's judgment on the same.

4. We draw attention to Note 8 of the Standalone financial results regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolution of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of the above said matters.

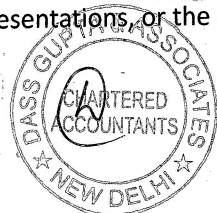
#### **Management's Responsibilities for the Standalone Financial Results**

5. The statement, which is the responsibility of the Company's Management and approved by Board of Directors, has been prepared on the basis of the related standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the statement that give a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

6. Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on complete set of financial statements on whether the company has adequate internal financial control with reference to financial statement in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represent the underlying transactions and events in a manner that achieves fair presentation.
7. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  8. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

9. This statement includes the result for the quarter ended 31<sup>st</sup> March, 2022 being the balancing figures between the audited figures in respect of the full financial year ended 31<sup>st</sup> March, 2022 and the published unaudited year-to-date figures upto the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.
10. The Standalone financial information of the Company for the year ended 31<sup>st</sup> March, 2021 included in this Statement, were audited by joint statutory auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Standalone Financial Statements vide their report dated 15<sup>th</sup> June, 2021.

#### FOR DASS GUPTA & ASSOCIATES

Chartered Accountants

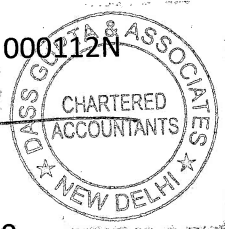
Firm's Registration No.: 000112N

**CA NARESH KUMAR**

Partner

Membership No. 082069

UDIN : 22082069AJQRM7461



#### FOR PREM GUPTA & COMPANY

Chartered Accountants

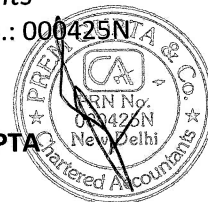
Firm's Registration No.: 000425N

**CA PREM BEHARI GUPTA**

Partner

Membership No. 080245

UDIN: 22080245AJOPQU4884



Dated: 25 May, 2022

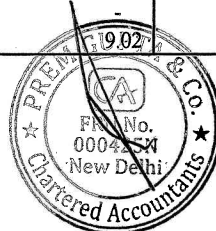
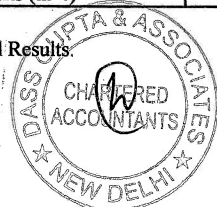
Place: New Delhi

**Power Finance Corporation Limited**  
**Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi**  
**Statement of Audited Standalone Financial Results for the Quarter and Year ended 31.03.2022**

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
	<b>Revenue from Operations</b>					
(i)	Interest Income	8,938.03	9,296.90	8,875.66	36,701.22	36,145.76
(ii)	Dividend Income	655.08	288.39	553.54	1,347.42	1,204.21
(iii)	Fees and Commission Income	277.26	41.20	243.09	496.76	394.90
<b>I.</b>	<b>Total Revenue from Operations</b>	<b>9,870.37</b>	<b>9,626.49</b>	<b>9,672.29</b>	<b>38,545.40</b>	<b>37,744.87</b>
<b>II.</b>	<b>Other Income</b>	<b>4.03</b>	<b>5.01</b>	<b>2.13</b>	<b>45.77</b>	<b>21.70</b>
<b>III.</b>	<b>Total Income (I+II)</b>	<b>9,874.40</b>	<b>9,631.50</b>	<b>9,674.42</b>	<b>38,591.17</b>	<b>37,766.57</b>
	<b>Expenses</b>					
(i)	Finance Costs	5,572.06	5,687.52	5,803.78	22,671.30	23,194.49
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	511.16	(33.10)	176.89	905.58	(164.06)
(iii)	Fees and Commission Expense	0.96	4.33	5.84	10.18	14.28
(iv)	Net Loss / (Gain) on Fair Value changes	(18.20)	12.29	23.52	(9.42)	518.95
(v)	Impairment on Financial Instruments	351.75	963.58	792.98	2,222.14	3,496.40
(vi)	Employee Benefit Expenses	55.93	55.64	45.35	213.11	194.62
(vii)	Depreciation, Amortisation and Impairment	2.85	3.96	3.67	13.20	11.17
(viii)	Corporate Social Responsibility Expenses	140.35	24.38	5.42	214.72	222.61
(ix)	Other Expenses	57.46	28.30	23.15	122.71	70.80
<b>IV.</b>	<b>Total Expenses</b>	<b>6,674.32</b>	<b>6,746.90</b>	<b>6,880.60</b>	<b>26,363.52</b>	<b>27,559.26</b>
<b>V.</b>	<b>Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>	<b>3,200.08</b>	<b>2,884.60</b>	<b>2,793.82</b>	<b>12,227.65</b>	<b>10,207.31</b>
<b>VI.</b>	<b>Exceptional Items</b>	-	-	-	-	-
<b>VII.</b>	<b>Profit/(Loss) Before Tax (V-VI)</b>	<b>3,200.08</b>	<b>2,884.60</b>	<b>2,793.82</b>	<b>12,227.65</b>	<b>10,207.31</b>
	<b>Tax Expense:</b>					
	(1) Current Tax:					
	- Current Year	495.85	696.80	772.01	2,418.91	2,613.09
	- Earlier Years	-	(11.82)	135.42	(36.05)	178.94
	(2) Deferred Tax Expense / (Income)	94.78	(180.59)	(440.22)	(177.11)	(1,028.73)
<b>VIII.</b>	<b>Total Tax Expense</b>	<b>590.63</b>	<b>504.39</b>	<b>467.21</b>	<b>2,205.75</b>	<b>1,763.30</b>
<b>IX.</b>	<b>Profit/(Loss) for the period from Continuing Operations (VII-VIII)</b>	<b>2,609.45</b>	<b>2,380.21</b>	<b>2,326.61</b>	<b>10,021.90</b>	<b>8,444.01</b>
<b>X.</b>	<b>Profit/(Loss) from Discontinued Operations (After Tax)</b>	-	-	-	-	-
<b>XI.</b>	<b>Profit/(Loss) for the period (from continuing and discontinued operations) (IX+X)</b>	<b>2,609.45</b>	<b>2,380.21</b>	<b>2,326.61</b>	<b>10,021.90</b>	<b>8,444.01</b>
<b>XII.</b>	<b>Other Comprehensive Income</b>					
(A)	(i) Items that will not be reclassified to Profit or Loss					
	- Re-measurement of Defined Benefit Plans	(1.88)	(1.06)	(0.44)	(5.07)	(4.26)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(52.46)	(39.64)	41.76	151.94	137.25
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss					
	- Re-measurement of Defined Benefit Plans	0.56	0.27	0.34	1.37	1.13
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(9.58)	-	-	(9.58)	-
	<b>Sub-Total (A)</b>	<b>(63.36)</b>	<b>(40.43)</b>	<b>41.66</b>	<b>138.66</b>	<b>134.12</b>
(B)	(i) Items that will be reclassified to Profit or Loss					
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	265.10	82.24	0.61	419.18	(27.64)
	- Cost of Hedging Reserve	(331.43)	10.46	5.33	(362.82)	(31.06)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss					
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	(66.72)	(20.70)	(0.15)	(105.50)	6.96
	- Cost of Hedging Reserve	83.41	(2.63)	(1.34)	91.31	7.82
	<b>Sub-Total (B)</b>	<b>(49.64)</b>	<b>69.37</b>	<b>4.45</b>	<b>42.17</b>	<b>(43.92)</b>
	<b>Other Comprehensive Income (A+B)</b>	<b>(113.00)</b>	<b>28.94</b>	<b>46.11</b>	<b>180.83</b>	<b>90.20</b>
<b>XIII.</b>	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>2,496.45</b>	<b>2,409.15</b>	<b>2,372.72</b>	<b>10,202.73</b>	<b>8,534.21</b>
<b>XIV.</b>	<b>Paid up Equity Share Capital (Face Value ₹ 10/- each)</b>	<b>2,640.08</b>	<b>2,640.08</b>	<b>2,640.08</b>	<b>2,640.08</b>	<b>2,640.08</b>
<b>XV.</b>	<b>Other Equity (As per Audited Balance Sheet as at 31st March)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>56,710.20</b>	<b>49,753.04</b>
<b>XVI.</b>	<b>Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:</b>					
	(1) For continuing operations (in ₹)	9.88	9.02	8.81	37.96	31.98
	(2) For discontinued operations (in ₹)	-	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	9.88	9.02	8.81	37.96	31.98

\* EPS for the quarters is not annualised.

See accompanying Notes to the Standalone Financial Results.



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

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
		(Audited)	(Audited)
	<b>ASSETS</b>		
<b>1</b>	<b>Financial Assets</b>		
(a)	Cash and Cash Equivalents	720.91	3,717.62
(b)	Bank Balance other than included in Cash and Cash Equivalents	3,240.31	1,044.58
(c)	Derivative Financial Instruments	3,080.56	1,251.45
(d)	Loans	3,60,929.74	3,60,124.77
(e)	Investments	16,084.27	15,973.50
(f)	Other Financial Assets	5,382.67	5,336.77
	<b>Total Financial Assets (1)</b>	<b>3,89,438.46</b>	<b>3,87,448.69</b>
<b>2</b>	<b>Non- Financial Assets</b>		
(a)	Current Tax Assets (Net)	273.65	260.64
(b)	Deferred Tax Assets (Net)	4,151.82	3,996.76
(c)	Property, Plant and Equipment	44.72	37.21
(d)	Intangible Assets	0.13	0.24
(e)	Right-of-use Assets	34.85	35.30
(f)	Other Non-Financial Assets	466.38	305.23
	<b>Total Non- Financial Assets (2)</b>	<b>4,971.55</b>	<b>4,635.38</b>
	<b>Total Assets (1+2)</b>	<b>3,94,410.01</b>	<b>3,92,084.07</b>
	<b>LIABILITIES AND EQUITY</b>		
	<b>Liabilities</b>		
<b>1</b>	<b>Financial Liabilities</b>		
(a)	Derivative Financial Instruments	103.25	494.04
(b)	Debt Securities	2,30,156.95	2,42,811.54
(c)	Borrowings (other than Debt Securities)	87,965.42	80,837.60
(d)	Subordinated Liabilities	9,311.27	9,310.20
(e)	Other Financial Liabilities	6,803.99	5,828.05
	<b>Total Financial Liabilities (1)</b>	<b>3,34,340.88</b>	<b>3,39,281.43</b>
<b>2</b>	<b>Non- Financial Liabilities</b>		
(a)	Current Tax Liabilities (Net)	194.92	43.24
(b)	Provisions	247.00	155.15
(c)	Other Non-Financial Liabilities	276.93	211.13
	<b>Total Non- Financial Liabilities (2)</b>	<b>718.85</b>	<b>409.52</b>
	<b>Total Liabilities (1+2)</b>	<b>3,35,059.73</b>	<b>3,39,690.95</b>
<b>3</b>	<b>Equity</b>		
(a)	Equity Share Capital	2,640.08	2,640.08
(b)	Other Equity	56,710.20	49,753.04
	<b>Total Equity (3)</b>	<b>59,350.28</b>	<b>52,393.12</b>
	<b>Total Liabilities and Equity (1+2+3)</b>	<b>3,94,410.01</b>	<b>3,92,084.07</b>



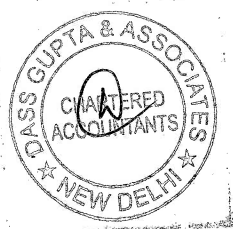
## 2. Standalone Statement of Cash Flows for the year ended 31.03.2022

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2022		Year ended 31.03.2021	
I.	<b>Cash Flow from Operating Activities :</b>				
	<b>Profit before Tax</b>	<b>12,227.65</b>		<b>10,207.31</b>	
	<b>Adjustments for:</b>				
	Loss on derecognition of Property, Plant and Equipment (net)	2.91		1.12	
	Depreciation and Amortisation	13.20		11.17	
	Interest expense on Zero Coupon Bonds and Commercial Papers	92.79		9.21	
	Unrealised Foreign Exchange Translation Loss / (Gain)	1,343.15		293.25	
	Net Change in Fair Value	(9.42)		518.95	
	Impact of Effective Interest Rate on Loans	2.25		(19.90)	
	Impairment on Financial Instruments	2,222.14		3,496.40	
	Interest on Interest Subsidy Fund	1.13		1.41	
	Provision for interest under Income Tax Act, 1961	1.91		2.19	
	Excess Liabilities written back	(2.38)		-	
	Provision for Retirement Benefits etc.	112.49		50.16	
	Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	5.98		82.28	
	Interest on Income Tax Refund	-		(9.67)	
	Gain on cessation of joint control in joint venture	(32.66)		-	
	Interest accrued on investments	(22.00)		-	
	<b>Operating profit before Working Capital Changes:</b>	<b>15,959.14</b>		<b>14,643.88</b>	
	<b>Increase / Decrease :</b>				
	Loans (Net)	(2,936.88)		(29,814.52)	
	Other Financial and Non-Financial Assets	(2,402.13)		(1,174.43)	
	Derivative	(2,123.78)		(95.29)	
	Other Financial & Non-Financial Liabilities and Provisions	488.52		1,302.95	
	<b>Cash Flow before Exceptional Items</b>	<b>8,984.87</b>		<b>(15,137.41)</b>	
	Exceptional Items	-		-	
	<b>Cash Flow from Operations Before Tax</b>	<b>8,984.87</b>		<b>(15,137.41)</b>	
	Income Tax paid	(2,246.45)		(2,671.39)	
	Income Tax Refund	-		294.12	
	<b>Net Cash Inflow from Operating Activities</b>		<b>6,738.42</b>		<b>(17,514.68)</b>
II.	<b>Cash Flow From Investing Activities :</b>				
	Proceeds from disposal of Property, Plant and Equipment	0.24		0.20	
	Purchase of Property, Plant and Equipment	(23.30)		(17.73)	
	Increase / (Decrease) in Other Investments	(7.47)		898.45	
	<b>Net Cash Inflow from Investing Activities</b>		<b>(30.53)</b>		<b>880.92</b>
III.	<b>Cash Flow From Financing Activities :</b>				
	Raising of Bonds (including premium) (Net of Redemptions)	(12,600.78)		13,733.45	
	Raising of Long Term Loans (Net of Repayments)	4,663.50		4,000.00	
	Raising of Foreign Currency Loans (Net of Repayments)	5,229.95		2,648.62	
	Raising of Commercial paper (Net of Repayments)	(3,120.00)		3,120.00	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	(454.45)		(1,355.32)	
	Unclaimed Bonds (Net)	(58.28)		133.76	
	Unclaimed Dividend (Net)	1.56		0.42	
	Payment of Dividend	(3,366.10)		(2,112.07)	
	<b>Net Cash Inflow from Financing Activities</b>		<b>(9,704.60)</b>		<b>20,168.86</b>
	<b>Net Increase / Decrease in Cash and Cash Equivalents</b>		<b>(2,996.71)</b>		<b>3,535.10</b>
	Add : Cash and Cash Equivalents at beginning of the financial year		3,717.62		182.52
	<b>Cash and Cash Equivalents at the end of the period</b>		<b>720.91</b>		<b>3,717.62</b>
	<b>Details of Cash and Cash Equivalents at the end of the period:</b>				
	i) Balances with Banks (of the nature of cash and cash equivalents)				
	In current accounts	17.64		699.48	
	In Term Deposit Accounts (original maturity up to 3 months)	703.27	720.91	3,018.14	3,717.62
	ii) Cheques, Drafts on hand including postage and Imprest		-	-	-
	<b>Total Cash and Cash Equivalents at the end of the period</b>		<b>720.91</b>		<b>3,717.62</b>

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

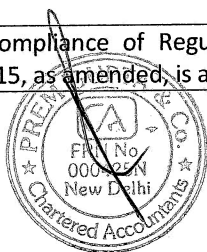
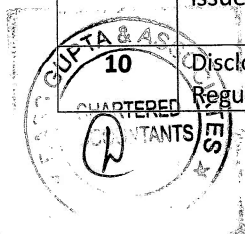
During the year, the Company has cash outflow of an amount of ₹ 120.46 crores (previous year ₹ 262 crores) towards Corporate Social Responsibility.





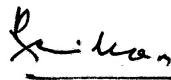
**Notes:-**

3	These audited standalone financial results of the Company have been reviewed and recommended by Audit Committee & subsequently approved and taken on record by Board of Directors of the Company in their respective meetings held on 25.05.2022. The same have been audited by Joint Statutory Auditors of the Company viz. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.																
4	These audited standalone financial results have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.																
5	The Board of Directors of the Company has recommended final dividend @ 12.5% on the paid up equity share capital i.e. ₹ 1.25/- per equity share of ₹ 10/- each for the financial year 2021-22, subject to the approval of the shareholders at the ensuing Annual General Meeting. The Company had also paid interim dividend of ₹ 10.75 /- per equity share of ₹ 10 /- each during FY 2021-22.																
6	<p>Provisioning of loan assets is based on approved ECL policy of PFC and upon the report provided by an independent agency appointed by the Company. Detail of credit impaired loans and impairment loss allowance thereon (including on commitments and guarantees) is as under:</p> <p style="text-align: right;">(₹ in crore)</p> <table><tr><th>S. No.</th><th>Particulars</th><th>As on 31.03.2022</th><th>As on 31.03.2021</th></tr><tr><td>a)</td><td>Credit Impaired loans</td><td>20,915.28</td><td>21,150.16</td></tr><tr><td>b)</td><td>Impairment Loss Allowance Maintained</td><td>14,344.38</td><td>13,416.36</td></tr><tr><td>c)</td><td>Impairment Loss Allowance Coverage (%) (b/a)</td><td>68.58%</td><td>63.43%</td></tr></table>	S. No.	Particulars	As on 31.03.2022	As on 31.03.2021	a)	Credit Impaired loans	20,915.28	21,150.16	b)	Impairment Loss Allowance Maintained	14,344.38	13,416.36	c)	Impairment Loss Allowance Coverage (%) (b/a)	68.58%	63.43%
S. No.	Particulars	As on 31.03.2022	As on 31.03.2021														
a)	Credit Impaired loans	20,915.28	21,150.16														
b)	Impairment Loss Allowance Maintained	14,344.38	13,416.36														
c)	Impairment Loss Allowance Coverage (%) (b/a)	68.58%	63.43%														
7	As a matter of prudence, income on credit impaired loans is recognised as and when received and / or on accrual basis when expected realisation is higher than the loan amount outstanding.																
8	<p>During the financial year ended 31.03.2022, India experienced two waves of COVID-19 pandemic following the spread of mutant coronavirus variants. These waves led to the imposition of temporary lockdown/curbs by Central / State Governments that were subsequently lifted.</p> <p>The Company believes that considering its high credit worthiness and well-established relationship with stakeholders, there will not be any significant impact of this pandemic in continuing the business operations, in maintaining its financial position, and in its ability to continue as a going concern.</p> <p>The impact of this pandemic on the Company will, inter alia, continue to be dependent on future developments which are uncertain. The Company shall also continue to closely monitor any material changes arising from future economic conditions and potential impact on its business.</p>																
9	<p>The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and bonds of different tenors through private placement of debt securities. The amounts raised during the year have been utilized for stated objects in the offer document/ information memorandum. Further, during the financial year ended 31.03.2022, the Company has not defaulted in servicing of its borrowings.</p> <p>In compliance of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the secured listed non-convertible debentures of the Company are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company. Further, the Company has maintained security cover of 1.01 times as per the terms of offer document / information memorandum sufficient to discharge the principal and interest thereon at all times for the secured listed non-convertible debt securities issued.</p>																
10	Disclosure in compliance of Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at <b>Annexure A</b> .																

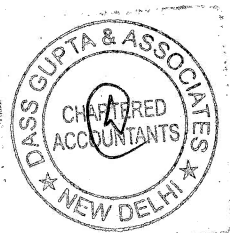


11	The Company is a 'Large Corporate' in terms of Chapter XII of SEBI Operational Circular dated 10.08.2021 on 'Fund raising by Issuances of Debt Securities by Large Entities'. Necessary disclosures in this regard have been made to the stock exchanges, where securities of the Company are listed and is annexed at <b>Annexure- B</b> .
12	In respect of Central/State Government entities, RBI has exempted the Company from applicability of its concentration of credit/investment norms till 31.03.2022. Considering Company's business model and strategic positioning being a Government Company, the matter for exemption is under consideration of RBI and the response is awaited.
13	In the context of reporting business / geographical segment as required by Ind AS 108 - "Operating Segments", the Company's operations comprise of only one business segment - lending to power sector entities. Hence, there is no reportable segment as per Ind AS 108.
14	Figures for the quarters ended 31.03.2022 & 31.03.2021 are the balancing figures between audited figures for the years ended 31.03.2022 & 31.03.2021 and unaudited figures for the nine months ended 31.12.2021 & 31.12.2020 respectively.
15	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable.

PLACE: NEW DELHI  
DATE: 25.05.2022



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



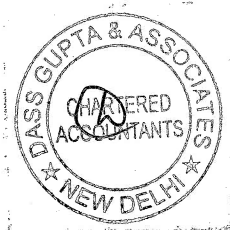


Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended 31.03.2022 on standalone basis:

Particulars	As at / For the quarter ended 31.03.2022	As at / For the year ended 31.03.2022
(i) Net Debt to Equity Ratio (times)	5.38	
(ii) Outstanding Redeemable Preference Shares	-	
(iii) Capital redemption reserve/debenture redemption reserve	-	
(iv) Net Worth (₹ in crore)	59,350.28	
(v) Net profit after tax (₹ in crore)	2,609.45	10,021.90
(vi) Earnings per share (Not annualised) (in ₹)		
Basic (₹)	9.88	37.96
Diluted (₹)	9.88	37.96
(vii) Total Debt to Total Assets (times)	0.81	
(viii) Operating Margin (%)	32.38%	31.60%
(ix) Net Profit Margin (%)	26.43%	25.97%
(x) Other Sector Specific Ratios		
Gross Credit Impaired Assets Ratio (%)	5.61%	
Net Credit Impaired Assets Ratio (%)	1.76%	
CRAR (%)	23.48%	

**Note:**

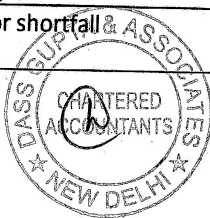
- 1) Net Debt to Equity ratio= Net Debt / Net Worth. Net debt=Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
- 2) Net worth = Equity Share Capital + Other Equity.
- 3) Total debt to Total assets = Principal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



## Annexure B

The Company is a 'Large Corporate' in terms of the Chapter XII of SEBI Operational Circular dated 10.08.2021 on "Fund raising by Issuances of Debt Securities by Large Entities". Disclosures required under the said circular is as under:

Particulars	FY 2021-22	FY 2020-21
Name of Company	Power Finance Corporation Limited	
CIN	L65910DL1986GOI024862	
Outstanding borrowings of company as on 31 <sup>st</sup> March of FY (₹ in crore) (in line with Chapter XII of SEBI Operational Circular dated August 10, 2021)	2,63,611.19	2,71,495.44
Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	AAA by CRISIL, ICRA & CARE	
Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange (BSE)	
<b>Disclosure for FY 2021-22</b>		
2-year block period	FY 2021-22, FY 2022-23	
<b>Details of incremental borrowings: (₹ in crore)</b>		
Incremental borrowing done in FY (2021-22) (a)	28,671.83	
Mandatory borrowing to be done through issuance of debt securities in FY (2021-22) (b) = (25% of a)	7,167.96	
Actual borrowings done through debt securities in FY (2021-22) (c)	14,666.83	
Shortfall in the borrowing through debt securities if any, for FY 2020-21 carried forward to FY 2021-22 (d) = (b) - (c) {If calculated value is zero or negative, write "Nil"}	Nil	
Quantum of (d), which has been met from (c) (e)	N.A	
Shortfall, if any, in the mandatory borrowing through debt securities for FY (2020-21) {after adjusting for any shortfall in borrowing for FY (2020-21) which was carried forward to FY (2021-22)} (f) = (b) - [(c) - (e)] {If calculated value is zero or negative, write "Nil"}	Nil	
<b>Details of penalty to be paid, if any, in respect to previous block</b>		
2-year block period	FY 2020-21, FY 2021-22	
Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d) - (e)}	N.A	
<b>Disclosure for FY 2020-21</b>		
<b>Details of incremental borrowings: (₹ in crore)</b>		
Incremental borrowing done in FY (a)	66,732.37	
Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	16,683.09	
Actual borrowings done through debt securities in FY	46,332.37	
Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	NIL	
Reasons for shortfall	N.A.	



**Independent Auditor's Report on Quarterly and Year to date Consolidated Financial Results of Power Finance Corporation Limited Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015**

To  
The Board of Directors of  
Power Finance Corporation Limited  
Urjanidhi, 1, Barakhamba Lane,  
Connaught Place, New Delhi-110001

**Report on the audit of the Consolidated Financial Results**

**Opinion**

1. We have audited the accompanying statement of consolidated financial results of Power Finance Corporation Limited ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates for the quarter and year ended 31<sup>st</sup> March, 2022 ("the statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statement/ financial results/financial information of the subsidiaries, and associates, the aforesaid consolidated financial results:

- i. include the annual financial results of the following entities:

**Subsidiaries#:**

- REC Limited
  - PFC Consulting Limited
- #Consolidated financial results considered for consolidation*

**Joint Venture Entity:**

- Energy Efficiency Services Limited
- (till date of cessation of joint control)*

**Associates:**

- Coastal Maharashtra Mega Power Limited\*
- Orissa Integrated Power Limited
- Coastal Karnataka Power Limited
- Coastal Tamil Nadu Power Limited
- Chhattisgarh Surguja Power Limited\*
- Deoghar Infra Limited
- Bihar Infrapower Limited
- Sakhigopal Integrated Power Company Limited
- Ghogarpalli Integrated Power Company Limited
- Tatiya Andhra Mega Power Limited\*
- Deoghar Mega Power Limited





- Cheyyur Infra Limited
- Odisha Infrapower Limited
- Bihar Mega Power Limited
- Jharkhand Infrapower Limited

*\*under process of striking off*

- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the recognition & measurement principles laid down in the applicable accounting standards, RBI guidelines and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended 31<sup>st</sup> March 2022 as well as the year to date for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

### **Basis for Opinion**

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India ("ICAI") as specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its associates in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Results.

### **Emphasis of matter**

3. We draw attention to Note 7 of the consolidated financial results regarding the provision of impairment allowance in respect of loan assets, undisbursed letter of comfort and guarantee. The Company and one of its subsidiaries has recognized expected credit loss in respect of loan assets, undisbursed letter of comfort and guarantee as required under Ind AS 109, based on the documents provided by independent expert agency appointed by them. Since the calculation parameters require certain technical and professional expertise, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by the said independent expert agency and management's judgment on the same.
4. We draw attention to Note 10 of the consolidated financial results regarding the impact of COVID-19 pandemic on the Group. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the Group to continue as a going concern. Nevertheless, the impact in sight of evolution of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of the above said matters.

### **Management's Responsibilities for the Consolidated Financial Results**

5. The consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Board of Directors of the Holding Company are responsible for the preparation and presentation of the statement that give a true and fair view of the net profit, other comprehensive income and other financial information of the Group including its associates in accordance with the applicable Indian accounting standards (IND AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for



safeguarding of the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the statement by the Holding Company, as aforesaid.

6. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective company's management of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

8. Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - a. Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - d. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
  - e. Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.



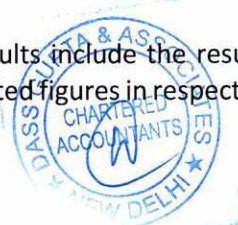


- f. Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates to express an opinion on the statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the statement of which we are the independent auditors. For the other entities included in the statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

13. The consolidated financial results include the audited Financial Results/statements and other financial information in respect of two subsidiaries, whose Financial Results reflect Group's share of total assets of ₹ 4,11,090.61 crore as at 31<sup>st</sup> March, 2022, Group's share of total revenue of ₹ 9,622.54 crore and ₹ 39,083.73 crore, total net profit after tax of ₹ 2,310.12 crore and ₹ 10,073.38 crore for the quarter and year ended 31<sup>st</sup> March, 2022 respectively, as considered in the consolidated Financial Results, which have been audited by their independent auditors. The independent auditors' report on Financial Results of this entity has been furnished to us and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above. These financial results include share of net profit after tax of ₹ (11.81) crore and total comprehensive income (net of tax) of ₹ (10.64) crore for year to date upto the date of cessation of joint control, respectively in respect of one joint venture (JV) which has not been audited. The said JV being the common JV in the group, these numbers also form part of detail contained in para 14 below.
14. The statements also include the unaudited financial Results / Statements and other financial information in respect of one Joint Venture Entity and fifteen associates, whose Financial Results reflect Group's share of net profit of ₹ (22.40) crore and total comprehensive income (net of tax) of ₹ (22.59) crore for year ended 31<sup>st</sup> March, 2022 respectively (upto date of cessation of joint control for Joint venture entity), as considered in the statements. These unaudited Financial Results/statements and other financial information have been approved and furnished to us by the Management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on such unaudited Financial Results/statements and other financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these Financial Results/statements and other financial information are not material to the Group.
- Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors referred to in para 13 above and the statements certified by the Management referred to in para 14 above.

15. The Financial Results include the results for the quarter ended 31<sup>st</sup> March, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures



up to the third quarter of the current financial year which were subject to limited review by us, as required under the listing regulations.

16. The Consolidated financial information of the Company for the year ended 31<sup>st</sup> March, 2021 included in this Statement, were audited by joint statutory auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Consolidated Financial Statements vide their report dated 15<sup>th</sup> June, 2021.

**FOR DASS GUPTA & ASSOCIATES**

*Chartered Accountants*

Firm's Registration No. 000112N



**CA NARESH KUMAR**

*Partner*

Membership No. 082069

UDIN : 22082069AJQQLH1868

**FOR PREM GUPTA & COMPANY**

*Chartered Accountants*

Firm's Registration No. 000425N



**CA PREM BEHARI GUPTA**

*Partner*

Membership No. 080245

UDIN: 22080245AJQQGM2686

**Dated: 25 May, 2022**

**Place: New Delhi**



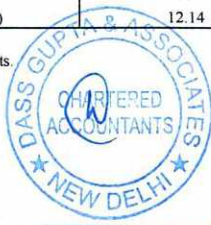
**Power Finance Corporation Limited**  
**Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi**  
**Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31.03.2022**

(₹ in crore)

Sr. No.	Particulars	Quarter Ended		Year Ended	
		31.03.2022	31.12.2021	31.03.2022	31.03.2021
		(Audited)	(Un-Audited)	(Audited)	(Audited)
	<b>Revenue from Operations</b>				
(i)	Interest Income	18,261.21	19,008.74	17,728.05	74,887.12
(ii)	Dividend Income	33.88	14.96	56.08	68.86
(iii)	Fees and Commission Income	476.08	91.63	275.63	1,069.58
(iv)	Other Operating Income	82.01	60.42	88.96	236.10
<b>I.</b>	<b>Total Revenue from Operations</b>	<b>18,853.18</b>	<b>19,175.75</b>	<b>18,148.72</b>	<b>76,261.66</b>
<b>II.</b>	<b>Other Income</b>	<b>20.37</b>	<b>39.25</b>	<b>6.42</b>	<b>83.26</b>
<b>III.</b>	<b>Total Income (I+II)</b>	<b>18,873.55</b>	<b>19,215.00</b>	<b>18,155.14</b>	<b>71,700.67</b>
	<b>Expenses</b>				
(i)	Finance Costs	10,925.52	11,235.48	11,244.16	44,708.78
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	982.34	81.69	390.18	1,704.63
(iii)	Fees and Commission Expense	5.38	7.60	6.87	26.91
(iv)	Net Loss / (Gain) on Fair Value changes	(74.20)	(234.22)	(220.90)	(356.00)
(v)	Impairment on Financial Instruments	1,115.45	1,778.60	1,510.68	5,695.07
(vi)	Cost of Services Rendered	18.10	27.89	32.07	76.83
(vii)	Employee Benefit Expenses	102.45	104.71	85.35	406.57
(viii)	Depreciation, Amortisation and Impairment	9.50	9.27	7.42	34.77
(ix)	Corporate Social Responsibility Expenses	251.59	48.28	42.64	388.76
(x)	Other Expenses	91.50	74.16	60.63	253.98
<b>IV.</b>	<b>Total Expenses</b>	<b>13,427.63</b>	<b>13,133.46</b>	<b>13,159.10</b>	<b>52,940.30</b>
<b>V.</b>	<b>Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>	<b>5,445.92</b>	<b>6,081.54</b>	<b>4,996.04</b>	<b>19,884.49</b>
<b>VI.</b>	<b>Exceptional Items</b>	-	-	-	-
<b>VII.</b>	<b>Share of Profit / (Loss) in Joint Venture and Associates</b>	-	-	9.46	(22.40)
<b>VIII.</b>	<b>Profit/(Loss) Before Tax (V-VI)+VII.</b>	<b>5,445.92</b>	<b>6,081.54</b>	<b>5,005.50</b>	<b>19,890.73</b>
	<b>Tax Expense:</b>				
	(1) Current Tax:				
	- Current Year	1,181.17	1,487.65	1,404.04	5,501.89
	- Earlier Years	(3.96)	(11.82)	224.72	(40.01)
	(2) Deferred Tax Expense / (Income)	(27.19)	(288.20)	(529.31)	(847.87)
<b>IX.</b>	<b>Total Tax Expense</b>	<b>1,150.02</b>	<b>1,187.63</b>	<b>1,099.45</b>	<b>4,614.01</b>
<b>X.</b>	<b>Profit/(Loss) for the period from Continuing Operations (VIII-IX)</b>	<b>4,295.90</b>	<b>4,893.91</b>	<b>3,906.05</b>	<b>15,716.20</b>
<b>XI.</b>	<b>Profit/(Loss) from Discontinued Operations (After Tax)</b>	-	-	-	-
<b>XII.</b>	<b>Profit/(Loss) for the period (from continuing and discontinued operations) (X+XI)</b>	<b>4,295.90</b>	<b>4,893.91</b>	<b>3,906.05</b>	<b>15,716.20</b>
<b>XIII.</b>	<b>Other Comprehensive Income</b>				
(A)	(i) Items that will not be reclassified to Profit or Loss				
	- Re-measurement of Defined Benefit Plans	(10.72)	1.10	(11.80)	(13.40)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(70.26)	(57.42)	71.78	174.13
	- Share of Other Comprehensive Income / (Loss) in Joint Venture accounted for using equity method	-	-	(0.14)	(0.02)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss				
	- Re-measurement of Defined Benefit Plans	2.79	(0.28)	3.20	3.47
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(6.15)	(0.88)	(1.54)	(7.03)
	<b>Sub-Total (A)</b>	<b>(84.34)</b>	<b>(57.48)</b>	<b>61.50</b>	<b>157.15</b>
(B)	(i) Items that will be reclassified to Profit or Loss				
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	598.00	235.49	93.22	900.02
	- Cost of Hedging Reserve	(988.53)	89.96	(110.50)	(947.33)
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	-	-	(0.17)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss				
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge	(150.51)	(59.27)	(23.46)	(226.52)
	- Cost of Hedging Reserve	248.79	(22.64)	27.82	238.42
	<b>Sub-Total (B)</b>	<b>(292.25)</b>	<b>243.54</b>	<b>(12.92)</b>	<b>(35.58)</b>
	<b>Other Comprehensive Income (A+B)</b>	<b>(376.59)</b>	<b>186.06</b>	<b>48.58</b>	<b>121.57</b>
<b>XIV.</b>	<b>Total Comprehensive Income (XII+XIII)</b>	<b>3,919.31</b>	<b>5,079.97</b>	<b>3,954.63</b>	<b>16,264.09</b>
	<b>Profit attributable to:</b>				
	- Owners of the Company	3,205.88	3,580.26	2,921.87	14,014.79
	- Non-Controlling Interest	1,090.02	1,313.65	984.18	4,753.42
	<b>Other Comprehensive Income attributable to:</b>				
	- Owners of the Company	(251.74)	111.64	47.37	148.99
	- Non-Controlling Interest	(124.85)	74.42	1.21	(27.42)
	<b>Total Comprehensive Income attributable to:</b>				
	- Owners of the Company	2,954.14	3,691.90	2,969.24	14,163.78
	- Non-Controlling Interest	965.17	1,388.07	985.39	4,726.00
	<b>Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:</b>				
(1)	For continuing operations (in ₹)	12.14	13.56	11.07	53.08
(2)	For discontinued operations (in ₹)	-	-	-	-
(3)	For continuing and discontinued operations (in ₹)	12.14	13.56	11.07	53.08
<b>XV.</b>	<b>Paid up Equity Share Capital (Face Value ₹ 10/- each)</b>	<b>2,640.08</b>	<b>2,640.08</b>	<b>2,640.08</b>	<b>2,640.08</b>
<b>XVI.</b>	<b>Other Equity (As per Audited balance Sheet as at 31st March)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>69,036.16</b>
<b>XVII.</b>	<b>Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:</b>				
(1)	For continuing operations (in ₹)	12.14	13.56	11.07	53.08
(2)	For discontinued operations (in ₹)	-	-	-	-
(3)	For continuing and discontinued operations (in ₹)	12.14	13.56	11.07	53.08

\* EPS for the quarters is not annualised.

See accompanying Notes to the Consolidated Financial Results.



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

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
		(Audited)	(Audited)
	<b>ASSETS</b>		
<b>1</b>	<b>Financial Assets</b>		
(a)	Cash and Cash Equivalents	914.24	4,927.74
(b)	Bank Balance other than included in Cash and Cash Equivalents	5,770.26	3,274.82
(c)	Derivative Financial Instruments	8,590.73	3,562.67
(d)	Trade Receivables	125.63	167.61
(e)	Loans	7,32,850.76	7,22,386.84
(f)	Investments (Other than accounted for using equity method)	3,773.51	2,950.48
(g)	Other Financial Assets	29,820.35	29,779.87
	<b>Total Financial Assets (1)</b>	<b>7,81,845.48</b>	<b>7,67,050.03</b>
<b>2</b>	<b>Non- Financial Assets</b>		
(a)	Current Tax Assets (Net)	495.25	525.32
(b)	Deferred Tax Assets (Net)	7,315.37	6,461.03
(c)	Investment Property	-	0.01
(d)	Property, Plant and Equipment	668.94	297.75
(e)	Capital Work-in-Progress	53.36	335.67
(f)	Intangible Assets under development	-	0.77
(g)	Other Intangible Assets	4.41	6.39
(h)	Right of Use Assets	45.83	37.17
(i)	Other Non-Financial Assets	551.68	411.43
(j)	Investments accounted for using equity method	0.50	548.35
	<b>Total Non- Financial Assets (2)</b>	<b>9,135.34</b>	<b>8,623.89</b>
<b>3</b>	Assets Classified as held for sale	19.45	33.16
	<b>Total Assets (1+2+3)</b>	<b>7,91,000.27</b>	<b>7,75,707.08</b>
	<b>LIABILITIES AND EQUITY</b>		
	<b>Liabilities</b>		
<b>1</b>	<b>Financial Liabilities</b>		
(a)	Derivative Financial Instruments	656.39	1,340.35
(b)	Trade Payables		
(i)	Total outstanding dues of Micro, Small and Medium Enterprises	1.11	0.01
(ii)	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	48.64	70.76
(c)	Debt Securities	4,49,731.56	4,80,080.65
(d)	Borrowings (other than Debt Securities)	1,94,616.98	1,63,344.42
(e)	Subordinated Liabilities	16,127.74	16,257.09
(f)	Other Financial Liabilities	32,598.89	32,065.25
	<b>Total Financial Liabilities (1)</b>	<b>6,93,781.31</b>	<b>6,93,158.53</b>
<b>2</b>	<b>Non- Financial Liabilities</b>		
(a)	Current Tax Liabilities (Net)	219.15	140.68
(b)	Provisions	356.55	272.28
(c)	Other Non-Financial Liabilities	368.10	345.26
	<b>Total Non- Financial Liabilities (2)</b>	<b>943.80</b>	<b>758.22</b>
<b>3</b>	Liabilities directly associated with assets classified as held for sale	0.01	0.08
	<b>Total Liabilities (1+2+3)</b>	<b>6,94,725.12</b>	<b>6,93,916.83</b>
<b>4</b>	<b>Equity</b>		
(a)	Equity Share Capital	2,640.08	2,640.08
(b)	Other Equity	69,036.16	58,127.40
	<b>Equity attributable to owners of the Company (a+b)</b>	<b>71,676.24</b>	<b>60,767.48</b>
(c)	Non-Controlling Interest	24,598.91	21,022.77
	<b>Total Equity (4)</b>	<b>96,275.15</b>	<b>81,790.25</b>
	<b>Total Liabilities and Equity (1+2+3+4)</b>	<b>7,91,000.27</b>	<b>7,75,707.08</b>





## 2. Consolidated Statement of Cash Flows for Year ended 31.03.2022

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2022		Year ended 31.03.2021	
I.	<b>Cash Flow from Operating Activities :</b>				
	<b>Profit before Tax</b>	<b>23,382.22</b>		<b>19,890.73</b>	
	<b>Adjustments for:</b>				
	Loss on derecognition of Property, Plant and Equipment (net)	3.91		5.81	
	Depreciation and Amortisation	34.78		25.45	
	Interest expense on Zero Coupon Bonds and Commercial Papers	107.55		126.31	
	Unrealised Foreign Exchange Translation Loss / (Gain)	(821.27)		819.96	
	Net Change in Fair Value	(348.00)		(29.40)	
	Impact of Effective Interest Rate on Loans	(9.74)		12.49	
	Impairment on Financial Instruments	5,695.07		5,943.36	
	Interest on Interest Subsidy Fund	1.13		1.41	
	Provision for interest under Income Tax Act, 1961	1.91		24.90	
	Excess Liabilities written back	(2.40)		(0.15)	
	Provision for Retirement Benefits etc.	112.49		50.16	
	Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	(105.33)		234.47	
	Interest on Income Tax Refund	-		(9.67)	
	Share of Profit/Loss of Joint Venture accounted for using equity method	22.40		(6.24)	
	Impairment Allowance on Assets Classified as Held for Sale	9.71		-	
	Loss/ (Gain) on derecognition of Assets held for sale (net)	(30.25)		-	
	Interest Accrued on investments	(22.00)		-	
	<b>Operating profit before Working Capital Changes:</b>	<b>28,032.18</b>		<b>27,089.59</b>	
	<b>Increase / Decrease :</b>				
	Loans (Net)	(12,804.48)		(83,336.45)	
	Other Financial and Non-Financial Assets	(2,852.51)		(3,015.58)	
	Derivative	(4,584.30)		615.91	
	Other Financial & Non-Financial Liabilities and Provisions	(817.12)		4,579.10	
	<b>Cash Flow before Exceptional Items</b>	<b>6,973.77</b>		<b>(54,067.43)</b>	
	Exceptional Items	-		-	
	<b>Cash Flow from Operations Before Tax</b>	<b>6,973.77</b>		<b>(54,067.43)</b>	
	Income Tax paid	(5,364.56)		(5,381.03)	
	Income Tax Refund	23.26		305.85	
	<b>Net Cash Inflow from Operating Activities</b>		<b>1,632.47</b>		<b>(59,142.61)</b>
II.	<b>Cash Flow From Investing Activities :</b>				
	Proceeds from disposal of Property, Plant and Equipment	0.48		0.97	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(120.15)		(92.78)	
	Finance Cost Capitalised	(5.10)		(22.04)	
	Increase / (Decrease) in Other Investments	(273.02)		1,854.91	
	Sale of assets held for sale	31.24		-	
	<b>Net Cash Inflow from Investing Activities</b>		<b>(366.55)</b>		<b>1,741.06</b>
III.	<b>Cash Flow From Financing Activities :</b>				
	Raising of Bonds (including premium) (Net of Redemptions)	(33,444.88)		29,233.11	
	Raising of Long Term Loans (Net of Repayments)	15,603.25		19,838.32	
	Raising of Foreign Currency Loans (Net of Repayments)	29,540.53		5,533.01	
	Raising of Subordinated Liabilities (Net of Redemptions)	-		1,999.50	
	Raising of Commercial paper (Net of Repayments)	(3,134.76)		195.00	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	(9,230.04)		6,076.34	
	Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(45.60)		557.46	
	Unclaimed Bonds (Net)	(58.28)		133.76	
	Unclaimed Dividend (Net)	1.56		0.42	
	Payment of Lease Liability	(2.95)		(0.73)	
	Payment of Dividend	(4,508.25)		(3,142.11)	
	<b>Net Cash Inflow from Financing Activities</b>		<b>(5,279.42)</b>		<b>60,424.08</b>
	<b>Net Increase / Decrease in Cash and Cash Equivalents</b>		<b>(4,013.50)</b>		<b>3,022.53</b>
	Add : Cash and Cash Equivalents at beginning of the financial year		<b>4,927.74</b>		<b>1,905.21</b>
	<b>Cash and Cash Equivalents at the end of the period</b>		<b>914.24</b>		<b>4,927.74</b>
	<b>Details of Cash and Cash Equivalents at the end of the period:</b>				
	i) Balances with Banks (of the nature of cash and cash equivalents)				
	In current accounts	148.32		970.90	
	In Term Deposit Accounts (original maturity up to 3 months)	765.90		3,956.72	
	ii) Cheques, Drafts on hand including postage and Imprest		0.02		0.12
	<b>Total Cash and Cash Equivalents at the end of the period</b>		<b>914.24</b>		<b>4,927.74</b>

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

During the year, the Group has spent an amount of ₹ 291.27 crores (previous year ₹ 412.31 crores) towards Corporate Social Responsibility.



**Notes:-**

3	These audited consolidated financial results of the Group have been reviewed and recommended by Audit Committee & subsequently approved and taken on record by Board of Directors of the Company in their respective meetings held on 25.05.2022. The same have been audited by Joint Statutory Auditors of the Company viz. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.																
4	The audited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.																
5	Consolidated financial results for the quarter and year ended 31.03.2022 include the financial year to date audited consolidated results of two subsidiaries and un-audited results of fifteen associates & one joint venture entity. Financial results of the subsidiaries, joint venture entity and associates have been consolidated in accordance with Ind AS 110 – ‘Consolidated Financial Statements’, Ind AS 111 – ‘Joint Arrangements’ and Ind AS 28 – ‘Investments in Associates and Joint Ventures’.																
6	The Board of Directors of the Company has recommended final dividend @ 12.5% on the paid up equity share capital i.e. ₹ 1.25/- per equity share of ₹ 10/- each for the financial year 2021-22, subject to the approval of the shareholders at the ensuing Annual General Meeting. The Company had also paid interim dividend of ₹ 10.75 /- per equity share of ₹ 10 /- each during FY 2021-22.																
7	<p>In respect of the Company and its subsidiary REC Ltd., provisioning of loan assets is based on approved ECL policy and upon the report provided by an independent agency appointed by the respective company. Detail of credit impaired loans and impairment loss allowance thereon (including on Commitments and guarantees), maintained by the Company and its subsidiary REC Ltd., is as under:</p> <div style="text-align: right;">(₹ in crore)</div> <table><tr><th>S. No.</th><th>Particulars</th><th>As on 31.03.2022</th><th>As on 31.03.2021</th></tr><tr><td>a)</td><td>Credit Impaired loans</td><td>38,075.17</td><td>39,407.09</td></tr><tr><td>b)</td><td>Impairment Loss Allowance Maintained</td><td>25,910.11</td><td>25,207.67</td></tr><tr><td>c)</td><td>Impairment Loss Allowance Coverage (%) (b/a)</td><td>68.05%</td><td>63.97%</td></tr></table>	S. No.	Particulars	As on 31.03.2022	As on 31.03.2021	a)	Credit Impaired loans	38,075.17	39,407.09	b)	Impairment Loss Allowance Maintained	25,910.11	25,207.67	c)	Impairment Loss Allowance Coverage (%) (b/a)	68.05%	63.97%
S. No.	Particulars	As on 31.03.2022	As on 31.03.2021														
a)	Credit Impaired loans	38,075.17	39,407.09														
b)	Impairment Loss Allowance Maintained	25,910.11	25,207.67														
c)	Impairment Loss Allowance Coverage (%) (b/a)	68.05%	63.97%														
8	As a matter of prudence, income on credit impaired loans is recognised as and when received and on accrual basis either on resolutions of stressed assets or when expected realisation is higher than the loan amount outstanding.																
9	In the context of reporting business / geographical segment as required by Ind AS 108 - “Operating Segments”, the Group’s operations majorly comprise of one business segment i.e. lending to power sector entities. Accordingly, there is no reportable segment as per Ind AS 108.																
10	<p>During the financial year ended 31.03.2022, India experienced two waves of COVID-19 pandemic following the spread of mutant coronavirus variants. These waves led to the imposition of temporary lockdown/curbs by Central / State Governments that were subsequently lifted.</p> <p>The Group believes that considering its high credit worthiness and well-established relationship with stakeholders, there will not be any significant impact of this pandemic in continuing the business operations, in maintaining its financial position, and in its ability to continue as a going concern.</p> <p>The impact of this pandemic on the Group will, inter alia, continue to be dependent on future developments which are uncertain. The Group shall also continue to closely monitor any material changes arising from future economic conditions and potential impact on its business.</p>																

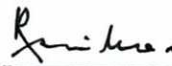




11	Figures for the quarters ended 31.03.2022 & 31.03.2021 are the balancing figures between audited figures for the years ended 31.03.2022 & 31.03.2021 and unaudited figures for the nine months ended 31.12.2021 & 31.12.2020 respectively.
12	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable.

PLACE: NEW DELHI

DATE: 25.05.2022



R.S. Dhillon

Chairman & Managing Director

DIN – 00278074

