



पावर फाइनेंस कॉर्पोरेशन लिमिटेड POWER FINANCE CORPORATION LTD.

(भारत सरकार का उपक्रम)

(A Govt. of India Undertaking)

(आई.एस.ओ. 9001:2015 प्रमाणित)

(ISO 9001:2015 Certified)

PRESS RELEASE

22nd April 2025

PFC actively managing Gensol situation

Power Finance Corporation (PFC), aligning with India's commitment under the Paris Agreement to reduce carbon intensity and the government's push for electric vehicle (EV) adoption through schemes like FAME and PM E-bus Seva, sanctioned ₹633 crore to Gensol Engineering Ltd. in January 2023.

This funding was earmarked for the procurement of 6,000 EVs i.e. ₹587 crore for procurement of 5,000 electric four wheelers for lease to BluSmart Mobility's ride-hailing service and ₹46 crore for procurement of 1,000 electric three wheelers for cargo operations. However, three wheeler loan was not availed.

Out of the ₹587 crore loan sanctioned towards electric 4-wheeler vehicles, PFC had only disbursed ₹352 crore to Gensol for the leasing of 3,000 EVs to BluSmart Mobility. Till date, 2,741 vehicles have been delivered and hypothecated to PFC as confirmed by third party agencies appointed by PFC.

Additionally, PFC also has pledge of Gensol's equity shares and Non-Convertible Debentures (NCDs), a Corporate Guarantee from Gensol Ventures Private Limited, and Personal Guarantees from promoters. Liquid assets in the form of TRA balances, DSRA balances, and Fixed Deposit by BluSmart with a lien marked to PFC are also in place.

Repayments on the disbursed amount had commenced with ₹45 crore repaid, leaving a principal outstanding of ₹307 crore as on 18th Apr 2025. Until January 31, 2025, Gensol was servicing its dues regularly. In Q4'25, PFC invoked the Debt Service Reserve Account (DSRA) to clear February and March 2025 dues.

PFC is actively pursuing further actions in the instant case and exploring all possible options.

Regarding communications from credit rating agencies CARE and ICRA on the falsified documents, PFC clarified, that it did not issue the letters they referred to. Further, considering these red flags, the matter is under investigation internally in PFC under PFC's Anti-Fraud Policy. Furthermore, PFC has filed a complaint with the Economic Offences Wing (EoW) concerning the issuance of falsified documents.

PFC is committed to safeguarding its interests and ensuring the recovery of its loan while upholding transparency in its operations.

Sd/-

(S. S. RAO)

Chief General Manager (PR)