

(This document is neither a "Prospectus" nor a "Statement in Lieu of Prospectus". This is a Disclosure Document prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008). And Issue and listing of Debt Securities (amendment) Regulations, 2012



TAMILNADU POWER FINANCE & INFRASTRUCTURE DEVELOPMENT CORPORATION LTD.

(A Government of Tamil Nadu Enterprise)

Regd. Office: Tufidco - Powerfin Tower, 490 / 3-4, Anna salai, Nandanam, Chennai - 600 035.

Tel: 044 - 2432 9945 / 24329946; Fax: 044 24329914; E-Mail: powerfin@Md3.vsnl.net.in
Website: www.tnpowerfinance.com

DISCLOSURE DOCUMENT OF PRIVATE PLACEMENT FOR POWERFIN BONDS -1/2013-14
AGGREGATING Rs.500 CRORES WITH AN OPTION TO RETAIN OVERSUBSCRIPTION
UPTO Rs.500 CRORES

GENERAL RISK

Investment in debt instruments involves a degree of risk and investors should invest any funds in the issue only after reading the risk factors in the Information Memorandum carefully including the risk involved. The Securities have not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue, which is material in the context of the issue, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

COMPANY PROFILE

- Wholly owned by Government of Tamilnadu.
- Registered with RBI as a Non Banking Finance Company vide Regn no: 07.00389
- Mobilizes funds through various attractive Deposit Schemes.
- Provides Financial Assistance to Power and Infrastructure Projects and provides funds to Tamil Nadu Electricity Board, now, TANGEDCO/TANTRANSCO.
- Managed by the Chairperson and Managing Director under the Board of Directors where senior IAS officers/ Professionals are Directors.
- Consistently making profit since its inception in 1991 and declaring dividend continuously.
- Deposit Schemes are as per RBI Guidelines.

BOND HIGHLIGHTS

- State Government guaranteed, Rated, Listed Redeemable, and Non- Convertible Bonds in the form of debentures (Bonds).
- Coupon Rate of 9.19% p.a. payable semi –annually from the date of allotment.
- Maturity: 10 years with redemption at the end of 8th, 9th and 10th year in the ratio of 30:30:40.
- Put/Call Option at the end of 7th year

ARRANGERS TO THE ISSUE



Almondz Global Securities Limited.

2nd Floor, 3 Scindia House,
Janpath, New Delhi - 110 001
Tel No. (011) 41514666 - 669
Fax No. (011)-41514665



A.K Capital Services Limited

606, 6th Floor, Antriksh Bhawan
22, K.G Marg, New Delhi – 110 001
Tel No. 011- 23739628
Fax No. 23739627

TRUSTEE TO THE ISSUE



SBICAP Trustee Co. Ltd.

8, Khetan Bhavan, 5th Floor, 198, J. Tata Road,
Church gate, Mumbai - 400 020
Tel: 022-4302 5555; Fax: 022-4302 5500

REGISTRAR TO THE ISSUE



Cameo Corporate Services Limited

"Subramanian Building" No.1, Club House Road;
Chennai 600002 – Tamil Nadu
Ph : 91-44 - 28460390 (5 lines) Fax : 91-44 – 28460129

BANKER TO THE ISSUE



State Bank of India,

6/36, Sriman Srinivasan Road,
Off TTK Road, Alwarpet,
Chennai 600 018
Phone No. : 044 24992397
Fax No. : 044 24988145

Issue Schedule

Placement Opening Date	22.04.2013
Placement Closing Date	28.05.2013
Deemed Date of Allotment (DDA)	Within 20 Working days from the date of closure of the issue.

The issuer reserves the right to close the issue earlier from the aforesaid date or change the issue time table including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice.

DISCLAIMER

GENERAL DISCLAIMER

This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008 and as amended in the Regulations dated 12th October 2012. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Bonds to be issued by TAMIL NADU POWER FINANCE & INFRASTRUCTURE DEVELOPMENT CORPORATION LTD (the "Issuer"/ the "Company"/ the "Issuer Company"). The document is for the exclusive use of the Institutions to whom it is delivered and it should not be circulated or distributed to third party (ies). TAMIL NADU POWER FINANCE & INFRASTRUCTURE DEVELOPMENT CORPORATION LTD certifies that the disclosures made in this document are generally adequate and are in conformity with the captioned SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Disclosure Document has not been filed with Securities & Exchange Board of India (SEBI). The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document. The issue of Bonds being made on private placement basis, filing of this document is not required with SEBI; however SEBI reserves the right to take up at any point of time, with the Company, any irregularities or lapses in this document.

DISCLAIMER OF THE ARRANGERS

It is advised that the Company has exercised self due-diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The role of the Arrangers in the assignment is confined to marketing and placement of the bonds on the basis of this Disclosure Document as prepared by the Company. The Arrangers have neither scrutinized/ vetted nor have they done any due-diligence for verification of the contents of this Disclosure Document. The Arrangers shall use this document for the purpose of soliciting subscription from qualified institutional investors in the bonds to be issued by the Company on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Arrangers; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Company. The Arrangers or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this document.

DISCLAIMER OF THE ISSUER

The Issuer confirms that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has been made available in this Disclosure Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Company accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Issuer Company and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Disclosure Document has been submitted to the Bombay Stock Exchange. (Here in after referred to as "BSE") for hosting the same on its website. It is to be distinctly understood that such submission of the document with "BSE") or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by "BSE"); nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Company. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER IN RESPECT OF JURISDICTION

The private placement of Bonds is made in India to Companies, Corporate Bodies, Trusts registered under the Indian Trusts Act, 1882, Societies registered under the Societies Registration Act, 1860 or any other applicable laws, provided that such Trust/ Society is authorised under constitution/ rules/ byelaws to hold bonds in a Company, Indian Mutual Funds registered with SEBI, Indian Financial Institutions, Insurance Companies, Commercial Banks including Regional Rural Banks and Cooperative Banks, Provident, Pension, Gratuity, Superannuation Funds as defined under Indian laws. The Information Memorandum does not, however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Information Memorandum comes is required to inform him about and to observe any such restrictions. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the courts at Chennai. All information considered adequate and relevant about the Issuer Company has been made available in this Information Memorandum for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever.

DISCLAIMER BY DEBENTURE TRUSTEE

The debenture trustee is not a guarantor and will not be responsible for any non-payment of interest and redemption and/or any loss or claim.

A. Issuer Information

a. Name and Address of the Issuer:

i. Registered & Corporate office of the Issuer

TAMILNADU POWER FINANCE & INFRASTRUCTURE DEVELOPMENT CORPORATION LTD

Tufidco - Powerfin Tower", 490 / 3-4, Anna salai, Nandanam,

Chennai - 600 035

Tel: 044 - 2432 9945 / 24329946; Fax: 044 24329914;

E-Mail: powerfin@md3.vsnl.net.in

ii. Compliance Officer & CFO Details:

Smt. S. Sujatha,

General Manager,

Tamilnadu Power Finance & Infrastructure Development Corporation Limited,

TUFIDCO-POWERFIN Tower, No. 490/3-4, Anna Salai,

Nandanam, Chennai 600035.

Tel: 044-24329924/ Fax No. 044-24329914

The investors can contact the Compliance Officer in case of any pre-issue / post-issue related problems such as non-credit of letter(s) of allotment/ bond certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc.

iii. Arrangers :

almondz
the financial powerhouse

Almondz Global Securities Limited.

2nd Floor, 3 Scindia House,

Janpath, New Delhi - 110 001

Tel No. (011) 41514666 - 669

Fax No. (011)-41514665



A.K Capital Services Limited

606, 6th Floor, Antriksh Bhawan

22, K.G Marg, New Delhi - 110 001

Tel No. 011- 23739628

Fax No. 23739627

iv. Trustee of the issue:

SBICAP Trustee Co. Ltd.

8, Khetan Bhavan, 5th Floor, 198, J. Tata Road,

Church gate, Mumbai - 400 020

Tel: 022-4302 5555; Fax: 022-4302 5500

v. Registrar of the issue:

Cameo Corporate Services Limited,

"Subramanian Building" No.1, Club House Road,

Chennai 600 002. TamilNadu.

Ph : 91-44 - 28460390 (5 lines) Fax : 91-44 - 28460390

vi. Credit Rating Agencies:

a) Brickwork Ratings India Pvt Ltd

3rd Floor, Raj Alkaa Park, Kalena Agrahara,
Bannerghatta Road,
Bengaluru - 560076

b) ICRA Limited

Karumuttu Centre, 5th Floor
634, Anna Salai, Nandanam,
Chennai – 600 035

vii. Auditors of the Issuer:

Venkat & Vasam,
Chartered Accountants,
No.46, Balakrishnan Naicken Street Extension,
West Mamabalam,
Chennai – 600 033.

b. Brief summary of the business / activities of the Issuer and its line of business :

i. Overview

It is a Non-Banking Finance Company which fulfills the objective of mobilizing funds through normal commercial channels to provide financial assistance for the development of power and infrastructure projects within the state of Tamil Nadu particularly for the schemes relating to generation, transmission and distribution network of Tamil Nadu Electricity Board (TNEB) now TANGEDCO/TANTRANSCO.

Tamil Nadu Power Finance and Infrastructure Development Corporation Limited have been notified as Public Financial Institution vide Notification No. S.O. 20(E) dated 9th January 2007 by the Government of India, Ministry of Company affairs.

TNPFIDCL raises deposits from the public through aggressive publicity campaigns and focused depositors meet and mobilization drives. The Corporation offers deposit schemes, with periods ranging between 12-60 months. TNPFIDCL offers depositors the choice between a regular interest payment scheme (RIPS) and a Cumulative Interest Payment Scheme (CIPS). In the former, the depositor receives interest at regular intervals while in the latter, the interest is re-invested in the deposit and a gross payment made at the time of maturity of deposits.

As on 31st March 2012 the corporation has around 24,69,065 depositors and a sum of about Rs. 6,951.56 crores as net deposits at its disposal. The details of deposits are as follows.

Sr. No.	Year	No. of Depositors	Amount (Rs. In Crores)
1.	1991-92	816	2.09
2.	1992-93	2585	7.14
3.	1993-94	4691	35.55
4.	1994-95	7192	138.40
5.	1995-96	8239	167.73
6.	1996-97	9600	264.00
7.	1997-98	13899	361.38
8.	1998-99	14912	304.24
9.	1999-00	31315	455.73
10.	2000-01	57972	735.22
11.	2001-02	75905	961.13
12.	2002-03	88230	1158.82
13.	2003-04	98250	1474.70
14.	2004-05	123613	1800.64
15.	2005-06	179091	2026.63
16.	2006-07	221050	2100.96
17.	2007-08	274365	2657.96
18.	2008-09	350836	3577.28
19.	2009-10	415211	4766.00
20.	2010-11	475261	5090.42
21.	2011-12	2469065	6951.56

TNPFIDCL had also funded other Government Agencies like Poompohar Shipping Corporation Ltd. and Tamil Nadu Industrial Investment Corporation Ltd, for its on lending to Wind Mill Projects. The funds provided for these institutions are Rs. 150 crores. All the dues has been collected from TNEB and other Government organizations on the respective due dates. As on 31/03/2012 there are no Non Performing Assets.

The Corporation has been making profits consistently from the year 1991-92. The Corporation has been declaring dividend continuously to Government of Tamilnadu since 1995-96. TNPFIDCL accumulated net profits of Rs. 469.65 crore upto 31.03.2012. So far a sum of Rs 76.42 crore has been paid as dividend as detailed below:

Sl. No.	Year	Amount (Rs. In Crore)		Net Worth
		Dividend	Profit after Tax	
1	1991-92	0.00	0.14	1.01
2	1992-93	0.00	0.40	1.06
3	1993-94	0.00	1.15	11.74
4	1994-95	0.00	1.77	23.51
5	1995-96	2.22	6.35	37.64
6	1996-97	2.40	8.53	48.96
7	1997-98	3.40	11.46	61.64
8	1998-99	4.40	15.02	71.82
9	1999-00	4.40	12.88	76.54
10	2000-01	4.40	12.95	84.03

11	2001-02	4.40	20.56	99.94
12	2002-03	4.40	22.71	118.99
13	2003-04	4.40	24.22	138.07
14	2004-05	4.40	26.70	159.76
15	2005-06	4.40	31.50	184.06
16	2006-07	4.40	43.67	222.70
17	2007-08	4.40	32.28	248.88
18	2008-09	4.40	37.61	281.32
19	2009-10	5.00	41.35	344.79
20	2010-11	10.00	64.43	397.60
21	2011-12	5.00	53.97	441.85
	Total	76.42	469.65	

TNPFIDCL achieved self-sufficiency around 1997-98. Prior to that, it was managing through utilization of state funding between 1991-97. The Government of Tamil Nadu provided funding to the tune of Rs. 815 Crores via debentures and via long-term loans. The Corporation has repaid the dues to the government in a phased manner and as on 31.03.2010 there are no dues pending to the government.

Since 1999-2000, TNPFIDCL has discontinued its leasing activities although it had disbursed over Rs. 178 Crores through this route between 1993-2000. It has gross outstanding term loans and hire-purchase exposure of Rs. 7828.78 crores with TNEB as of March 2012. The year wise details of funding to TNEB are as follows:

Sr. No.	Financial Year	Hire Purchase	Term Loan	Lease	Total
1.	1991-92	52.08	10.00	0.00	62.08
2.	1992-93	73.35	10.00	0.00	83.35
3.	1993-94	106.45	0.00	9.01	115.46
4.	1994-95	129.54	282.44	10.21	422.19
5.	1995-96	189.38	100.00	32.77	322.15
6.	1996-97	235.08	0.00	20.01	255.09
7.	1997-98	170.11	32.00	19.88	221.99
8.	1998-99	91.02	10.00	21.31	122.39
9.	1999-00	244.65	0.00	26.73	270.88
10.	2000-01	364.54	0.00	38.71	403.25
11.	2001-02	377.92	61.00	0.00	438.92
12.	2002-03	318.10	200.50	0.00	518.80
13.	2003-04	469.41	211.00	0.00	680.41
14.	2004-05	404.22	489.00	0.00	893.22
15.	2005-06	501.12	205.00	0.00	706.12
16.	2006-07	679.50	258.00	0.00	937.50

17.	2007-08	987.88	428.00	0.00	1415.88
18.	2008-09	981.55	1126.00	0.00	2107.55
19.	2009-10	665.19	1943.00	0.00	2608.19
20.	2010-11	454.71	1757.00	0.00	2211.71
21.	2011-12	273.39	4040.00	0.00	4313.39

ii. Management team

Name	Designation
Tmt. Girija Vaidyanathan, IAS.,	Chairperson and Managing Director
Tmt. S. Sujatha	General Manager
Thiru A.Rajasekar	Manager (Deposits)
Thiru S.Elangovan	System Analyst

iii. Key operational and Financial parameters for last 3 Audited years:

Parameters	Upto latest Half Year As on 30.09.2012	Financial Year 2011-12	Financial Year 2010-11	Financial Year 2009-10
For Financial Entities				
Net worth	49891.00	44184.58	39759.55	34478.91
Total Debt	763595.00	711373.28	523736.11	484249.55
Of which– Non Current Maturities of Long Term Borrowing and Short Term Borrowing		401208.59	303872.20	
Current Maturities of Long Term Borrowing and Short Term Borrowing		111373.02	69637.81	
Net Fixed Assets	429.00	450.37	461.38	469.49
Non Current Assets		535994.04	389361.02	
Cash and Cash Equivalents		25288.18	13189.80	
Current Investments	7900.00	7983.33	8150.00	8316.67
Current Assets	18952.00	1031.32	1346.78	12124.60
Current Liabilities	88410.00	80646.65	62925.66	55311.49
Assets Under Management		249278.54	199656.94	
Interest Income	44186.00	70793.74	59235.53	51614.48
Interest Expense	36765.00	60479.02	50490.55	45298.61

Provisioning & Write-offs	Nil	Nil	Nil	Nil
PAT	5706.00	4135.21	6443.06	5396.90
Gross NPA (%)	Nil	Nil	Nil	Nil
Net NPA (%)	Nil	Nil	Nil	Nil
Tier I Capital Adequacy Ratio (%)	Exempted under the provisions of NBFC (Deposit Accepting and Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.			
Tier II Capital Adequacy Ratio (%)				

Gross debt: equity Ratio of the Company as on 31.12.2012 :

Before the issue of debt securities	16.99:1
After the issue of debt securities	17.48:1

c. Brief history of the Issuer since its incorporation:

The Tamil Nadu Power Finance and Infrastructure Development Corporation Limited (TNPFDCL) was established in 1991 and is wholly owned by the Government of TamilNadu.

The paid up equity capital of TNPFDCL is Rs. 50 Crores. The Corporation is a profitable entity and over the years, the net worth has risen to Rs. 469.65 crores (31/03/2012) due to the accretion of profits to reserves. Mainly, the Corporation raises resources through mobilizing fixed deposits. Its lending profile consists of Hire Purchase Loan and term loans for projects of power sector.

i. Details of Share Capital as on last quarter end:-

Share Capital	Rs.
Authorised Share Capital 5,00,00,000 Equity Shares of Rs.10/- each	500,000,000
Issued, Subscribed and Paid-up Share Capital 5,00,00,000 Equity Shares of Rs.10/- each	500,000,000

ii. Changes in its Capital structure as on last quarter end for the last five years:-

Date of change	Rs.	Particulars
	220000000	2008-2009
31.03.2010	500000000	2009-2010
	500000000	2010-2011
	500000000	2011-2012
	500000000	2012-2013 (as on 30.09.2012)

iii. Equity Share Capital history of the Company as on last quarter end for the last five years :

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No of equity shares	Equity Share Capital	Equity Share Premium (in Rs.)	
2008-2009	22000000	Rs. 10/- per share				22000000	220000000		
2009-2010	50000000	Rs. 10/- per share				50000000	500000000		
2010-2011	50000000	Rs. 10/- per share				50000000	500000000		
2011-2012	50000000	Rs. 10/- per share				50000000	500000000		
2012-2013 (as on 31.12.2012)	50000000	Rs. 10/- per share				50000000	500000000		

iv. Details of any Acquisition or Amalgamation in the last 1 year

Nil

v. Details of any Reorganization or reconstruction in the last 1 year:-

Nil.

d. Details of the shareholding of the company as on the latest quarter end:-

i. Shareholding pattern of the company as on last quarter end:-

Sr. No	Particulars	Total No. of Equity Shares	No. of Shares in demat form	Total Shareholding as % of total no of equity shares
1	His Excellency Hon'ble Governor of Tamil Nadu	4,99,99,920		99.99984%
2	Other Directors nominated by Govt. of Tamil Nadu	80		0.00016%

Notes: Shares pledged or encumbered by the promoters – Nil.

ii. List of top 10 holders of equity shares of the company as on the latest quarter end:

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total share holding as % of total no. of equity shares
1.	His Excellency Hon'ble Governor of Tamil Nadu	4,99,99,920		99.99984%
2.	Tmt.Girija Vaidyanathan IAS., Chairperson and Managing Director, TN Power Finance & Infrastructure Development Corporation Ltd.	20		.00004%
3.	Thiru. K.Gnanadesikan, IAS., Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited. (TANGEDCO)	10		.00002%
4.	Thiru. Rajesh Lakhoni, IAS., Principal Secretary to Government, Energy Department.	10		.00002%
5.	Thiru. S. Krishnan IAS., Secretary to Government Finance (Expenditure)Dept.	10		.00002%
6.	Thiru Sudeep Jain IAS., Chairman and Managing Director, Tamil Nadu Energy Development Agency.	10		.00002%
7.	Joint Secretary to Government Industries Department (vacant)	10		.00002%
8.	Thiru G. Rajagopal , Director/ Finance, Tamil Nadu Generation and Distribution Corporation Limited. (TANGEDCO)	10		.00002%

e. Following details regarding the directors of the company:-

i. Details of the current Directors of the company :

Name, Designation and DIN	Age (date of Birth)	Address	Directors of the Company Since	Details of other directorship
Tmt.Girija Vaidyanathan, IAS. DIN 02339373	01.07.1959	Chairperson and Managing Director, TN Power Finance & Infrastructure Development Corporation Ltd., 490/Anna Salai, Nandanam, Chennai 600 035.	28.09.2012	TDFC
Thiru.K. Gnanadesikan, IAS. DIN 00111798	16.04.1959	Chairman cum Managing Director, Tamil Nadu Generation and Distribution Corporation Limited. (TANGEDCO), 144, Anna Salai, Chennai 600 002.	17.10.2012	TNIDC, NTPC, Tamil Nadu Energy Development Corpn. Ltd., Arasu Cable, Mandakini B Coal Ltd., Maha Tamil Collieries Ltd., TANTRANSCO, TNEB, TANGEDCO, UPCL, Tamilnadu Maritime Board, Poompohar Shipping Corpn. Ltd.
Thiru.Rajesh Lakhoni, IAS. DIN 00686168	26.05.1969	Principal Secretary to Government, Energy Department, Fort St. George, Secretariat, Chennai 600 009.	21.02.2013	TNEB, TANGEDCO, TANTRANSCO, POOMPUPHAR SHIPPING CORPN.
Thiru.S. Krishnan, IAS. DIN 03439632	29.06.1967	Secretary to Government, Finance (Expenditure) Department, Fort St. George, Secretariat, Chennai 600 009.	20.07.2011	TTDC, ELCOT, TNPL, TUFIDCO, NTADCL, TN Water Investment Company, TUIFSIL, SIDCO, Chennai Metro Rail Corpn., Arasu Cable TV Corpn.
Thiru.Sudeep Jain, IAS. DIN 02365717	16.05.1969	Chairman and Managing Director, Tamil Nadu Energy Development Agency, EVK Sampath Maaligai, Chennai 600 006.	20.07.2011	--
Thiru.G. Rajagopal DIN 02639128	06.11.1956	Director/ Finance, Tamil Nadu Generation and Distribution Corporation Limited. (TANGEDCO),	26.03.2012	TANGEDCO, TNEB, Poompohar Shipping Corpn.,

		No.144, Anna Salai, Chennai 600 002.		Maha Tamil Collieries Ltd., UPCL.
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i. Details of change in directors since last three years:-

Name, Designation and DIN Tvl/Tmt.	Date of Appointment / Resignation	Directors of the Company since (in case of resignation)	Remarks
Dheeraj Kumar, IAS. DIN. 00936284	07.09.2006	23.09.2009	
Mohan Verghese Chunkath, IAS., DIN. 01142014	14.03.2008	26.06.2009	
Smita Nagaraj, IAS. DIN. 02105331	24.06.2008	18.02.2009	
Praveen Kumar, IAS. DIN. 01523131	24.11.2008	01.04.2009	
C.V. Sankar, IAS. DIN. 00703204	01.08.2003	24.11.2008	
Praveen Kumar, IAS. DIN 01523131	17.06.2010	31.07.2010	
S. Ramasundaram, IAS. DIN 00147563	31.07.2010	03.09.2010	
C.P. Singh, IAS. DIN 00594463	23.12.2008	10.06.2011	
R. Christodas Gandhi, IAS. DIN. 00788432	26.06.2009	20.07.2011	
T. Booma DIN. 01280049	27.03.2007	07.10.2010	
Mythili K Rajendran, IAS. DIN. 02202057	23.09.2009	20.01.2011	
PWC Davidar, IAS. DIN. 02435375	18.02.2009	24.02.2011	
Anita Praveen, IAS. DIN. 01997785	07.10.2010	20.07.2011	
S. Kathiresan DIN. 00224505	30.06.2006	26.03.2012	
Qudsia Gandhi, IAS. DIN. 02568631	03.09.2010	30.11.2011	
Hansraj Verma, IAS. DIN 00130877	10.06.2011	10.11.2011	
Ramesh Kumar Khanna, IAS. DIN 0068168	24.02.2011	20.02.2013	

f. Following details regarding the auditors of the company:-

i. Details of the auditor of the company:-

Name	Address	Auditor since
Venkat & Vasani, Chartered Accountants.	No. 46 Balakrishna Naicken Street Extn., West Mambalam, Chennai – 600033. Ph: 24719660	2011-12

ii. Details of change in auditor since last three years:-

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
M/s. Ram & Co.,	63, East Vanniar Street, West KK Nagar, Chennai – 600078.	13.10.2009	2009-2010	
M/s. Ram & Co.,	63, East Vanniar Street, West KK Nagar, Chennai – 600078.	08.09.2010	2010-2011	
M/s Venkat & Vasan.	No. 46, Balakrishna Naicken Street Extension, West Mambalam, Chennai – 600033.	23.09.2011	2011-2012	

g. Details of borrowings of the company, as on the latest quarter end:-

i. Details of Secured Loan Facilities:- NIL

Lender's Name,	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Repayment Date / Schedule	Security

ii. Details of Unsecured Loan Facilities: There is no institutional term loans other than fixed deposits.

Lender's Name,	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Repayment Date / Schedule
	NIL			

iii. Details of NCD: -

Debenture Series	Tenor / Period of Maturity	Coupon	Amount	Date of Allotment	Redemption Date/ Schedule	Credit rating	Secured/ unsecured
Powefin Bonds - 1/2012-13	10 years	9.67%	Rs 253.90 crores	1.9.2012	1.9.2022	A-(SO) by ICRA & A(SO) by Brick-works	Unsecured
Powefin Bonds - 2/2012-13	10 years	9.56%	Rs 508.70 crores	09.01.2013	09.01.2023	A-(SO) by ICRA & A(SO) by Brick-works	Unsecured
Powefin Bonds - 3/2012-13	10 years	9.35%	Rs 201.60 crores	09.04.2013	09.04.2023	A-(SO) by ICRA & A(SO) by Brick-works	Unsecured

iv. List of Top 10 debenture Holders (as on 09.04.2013)

Sl. No	Debenture holders	Amount (Rs. in Crores)
1	Food Corporation of India Ltd CPF Trust	69.00
2	BEST Undertaking Provident Fund	66.00
3	M.P.E.B EPF Trust, Jabalpur	48.00
4	NLC Employees Provident Fund Trust	27.20
5	SBH Employees Pension Fund Trust	20.00
6	IFCI Venture Capital Funds Ltd	20.00
7	FDC Ltd	20.00
8	Power Grid Self Contributory Superannuation Benefit Pension Fund Trust	16.00
9	Hindalco Employees Provident fund Institution	15.00
10	Navodaya Vidyalaya Samiti C	12.00

v. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued.

NIL

vi. Details of Commercial Paper:- The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup in following table:-

NIL

vii. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares) as on :-

NIL

viii. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years.

NIL

ix. Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount or (iii) in pursuance of an option:

NIL

h. Details of Promoters of the Company:-

i. Details of Promoter Holding in the Company as on the latest quarter end:-

Sl. No	Name of the share holders	Total No of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity shares	No of Shares Pledged	% of Shares pledged with respect to shares owned
1.	His Excellency Hon'ble Governor of Tamil Nadu	49999920		99.9984%	Nil	Nil
2.	Other Directors nominated by Govt. Of Tamil Nadu	80		.00016%	Nil	Nil

i. Abridged Version of Audited consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow State) for at least last three years and auditor qualifications, if any.

BALANCE SHEET AS ON 31.03.2012		
EQUITY AND LIABILITIES	Amount (Rs. in Lakhs)	
	As on 31.03.2012	As on 31.03.2011
Shareholders' Funds		
Share Capital	5000.00	5000.00
Reserves and Surplus	39184.58	34759.55
Non-current Liabilities		
Long Term Borrowings	401208.59	303872.20
Other Long Term Liabilities	14545.81	19049.55
Long Term Provisions	71.35	-
Current liabilities		
Short term Borrowings	111373.02	69637.81
Other short term Liabilities	12501.41	6801.26
Trade Payables	44.94	37.71
Other Current Liabilities	235495.34	171817.38
Short term provisions	600.74	1190.46
TOTAL	820025.78	612165.92
ASSETS		
Non-current Assets		
Fixed Assets		
Tangible Assets	450.37	461.38
Investments	7983.33	8150.00
Deferred Tax Assets(Net)	218.47	629.86
Long term loans and advances	535775.57	388731.16
Current Assets		
Cash and cash equivalents	25288.18	13189.80

Loans and advances	249278.54	199656.94
Other current assets	1031.32	1346.78
TOTAL	820025.78	612165.92

Statement of Profit & Loss Account for the year ended 31.03.2012		
	Amount (Rs. in Lakhs)	
Revenue	As on 31.03.2012	As on 31.03.2011
Revenue from Operations	70793.73	59235.53
Other Income	806.55	787.74
Total Revenue	71600.28	60023.27
Expenses		
Employee Benefits Expenses	179.49	113.97
Finance Costs	60479.02	50490.55
Depreciation and Amortisation expenses	380.06	439.38
Other expenses	123.96	159.27
Rebate for prompt Payment	3095.93	167.83
Total expenses	64258.46	51371.00
Profit before Exceptional, Extraordinary items & taxation	7341.82	8652.27
Exceptional items	-	-
Profit before Exceptional, Extraordinary items & taxation	7341.82	8652.27
Exceptional items	-	-
Profit before taxation	7341.82	8652.27
Tax expense		
Current tax	1924.00	2277.00
Deferred Tax Charge/credit	20.92	67.79
Profit/Loss from discontinuing operations	5396.90	6443.06
Profit/Loss from discontinuing operations	-	-
Tax expenses from discontinuing operations	-	-
Profit/Loss from discontinuing operations(after tax)	-	-
Profit for the period	5396.90	6443.06

CASH FLOW STATEMENT		
	Amount (Rs. in lakhs)	
	2011-12	2010-11
A.CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	7341.80	8652.27
Add: Depreciation	380.06	439.38
Interest charges	60479.02	50490.55
Less: Interest on Investment	-684.06	-693.13

Operating profit before working Capital changes	67516.82	58889.07
(increase)/decrease in hire Purchases	48080.77	32307.58
(increase)/decrease in Term loans	-244857.79	-80799.46
(increase)/decrease in Leasing	-358.90	-416.89
(increase)/decrease in other receivables	421.67	-427.92
(increase)/decrease in current liabilities	17319.61	12449.29
Cash generated from operation	-111877.82	22001.67
Less: Income tax paid	-1999.64	-2656.78
Interest charges	-60479.02	-50490.55
Net cash from operating activities(A)	-174356.48	-31145.67
B.CASH FLOW FROM INVESTING ACTIVITIES		
Interest on investment	684.06	693.13
sale of investment	166.67	166.67
sale of assets	0.10	0.01
Less: Purchase of Assets	-10.22	-14.41
Less: purchase of Investments	0.00	0.00
Net Cash from investing activities(B)	840.61	845.40
C. CASH FLOW FROM FINANCING ACTIVITIES		
(increase)/decrease in SHARE CAPITAL	0.00	0.00
(increase)/decrease in Fixed deposits	186114.25	32442.06
(increase)/decrease in Debentures	0.00	0.00
Dividend paid	-500.00	-1000.00
Net cash flow from financing activities (c)	185614.25	31442.06
Net increase in cash and cash equivalents(A+B+C)	12098.38	1141.79
cash and cash equivalents at the beginning of the year	13189.80	12048.01
cash and cash equivalents at the end of the year	25288.18	13189.80

Components of cash and cash equivalents at the end of the year		
current account with banks	25287.38	13189.80
cash and stamps on hand	0.80	0.65
	25288.18	13189.80

Balance Sheet as on 31.03.2011

(Rs. in lakhs)

	As on 31.03.2011	As on 31.03.2010
SOURCES OF FUNDS		
SHARE HOLDERS FUNDS		
a. Share Capital	5,000.00	5,000.00
b. Reserve & Surplus	34,759.57	29,478.91
LOAN FUNDS		
Unsecured Loans	523,736.11	484,249.55
Total	563,495.68	518,728.46
APPLICATIONS OF FUNDS		
FIXED ASSETS		
Gross Block	18,400.24	18,386.93
Less: Depreciation/Lease Adjustments	17,938.86	17,917.44
Net Block	461.38	469.49
INVESTMENTS	8,150.00	8,316.67
DEFERRED TAX ASSETS (NET)	629.86	562.07
CURRENT ASSETS, LOANS AND ADVANCES		
a. Current Assets	13,260.55	12,124.60
b. Loans and Advances	603,919.55	552,567.12
	617,180.10	564,691.72
Less: Current Liabilities & Provisions	62,925.66	55,311.49
Net Current Assets	554,254.44	509,380.23
Total	563,495.68	518,728.46

Statement of Profit and Loss Account for the year ended 31.03.2011		
(Rs. In lakhs)		
	As on 31.03.2011	As on 31.03.2010
I. INCOME		
Income from operations	59,235.53	51,614.48
Interest earned on Investments	693.13	115.79
Miscellaneous Income	94.61	65.27
	60,023.27	51,795.54
II. EXPENDITURE:		
Employees Remuneration	113.97	105.94
Interest Charges	50,490.55	45,298.61
Administration and Other Expenses	159.27	150.23
Rebate for Prompt Payment	167.83	238.58
	50,931.62	45,793.36
III. PROFIT:		
Profit Before Depreciation & Tax	9,091.65	6,002.18
Less: Depreciation	439.38	505.39
Net Profit before tax for the year	8,652.27	5,496.79
Less: Provision for Taxation		
- Current Tax	2,277.00	1,442.00
Add/Less Deferred Tax Asset/Liability	67.79	80.42
Net Profit after Tax for the year	6,443.06	4135.21
Add: Balance b/f from Previous Year	6,785.11	5,233.65
Add / Less: Prior Period adjustments (Net)	(0.18)	(5.71)
Amount available for appropriations	13,227.99	9,363.15
IV. APPROPRIATIONS:		
General Reserve	1,323.00	950.00
Special Reserve	1,669.00	1,045.00
Dividend on equity shares (proposed)	1,000.00	500.00
Tax on Dividend	162.22	83.04
Balance carried to Balance Sheet	9,073.77	6,785.11
	13,227.99	9,363.15

2010-11 2009-2010
(Rs. In lakhs)

CASH FLOW STATEMENT

A. Cash Flow From Operating Activities		
Profit before Tax	8652.27	5496.79
Add: Depreciation	439.38	505.38
Interest Charges	50490.55	45298.61
Less: Interest on Investment	-693.13	-115.79
Operating Profit before Working Capital changes	58889.07	51184.99
(Increase) / Decrease in Hire Purchases	32307.58	8514.39
(Increase) / Decrease in Term Loans	-80799.46	-129667.80
(Increase) / Decrease in Leasing	-416.89	-484.24
(Increase) / Decrease in Other receivables	-427.92	-275.00
(Increase) / Decrease in Current Liabilities	12449.29	14976.09
Cash generated from operation	22001.66	-55751.57
Less: Income tax paid	-2656.78	-1742.71
Interest Charges	-50490.55	-45298.61
Net Cash from Operating activities (A)	-31145.67	-102792.89
B. Cash Flow From Investing Activities		
Interest on Investment	693.13	115.79
Sale of Investment	166.67	83.33
Sale of Assets	0.01	0.57
Less: Purchase of Assets	-14.41	-15.65
Less: Purchase of Investments	0.00	-7900.00
Net Cash from Investing activities (B)	845.40	-7715.96
C. Cash flow from Financing Activities		
(Increase) / Decrease in Share Capital	0.00	2800.00
(Increase) / Decrease in Fixed Deposits	32442.06	118871.66
(Increase) / Decrease in Debentures	0.00	-10800.00
Dividend paid	-1000.00	-500.00
Net Cash from Financing activities (C)	31442.06	110371.66
Net increase in cash and cash equivalents (A+B+C)	1141.79	-137.19
Cash and Cash equivalents at the beginning of the year	12048.01	12185.20
Cash and Cash equivalents at the end of the year	13189.80	12048.01
Components of Cash and Cash equivalents at the end of the year		
Current account with Banks	13189.15	12047.64
Cash and Stamps on hand	0.65	0.37
	13189.80	12048.01

j. Abridged version of Latest Audited/Limited Review Half Years consolidated (Wherever available) and Standalone Financial Information (Iife Profit & Loss Statement, and Balance Sheet) and auditors qualifications, if any.

Abridged and Unaudited Balance Sheet as on 30.09.2012		
A.	Liabilities	(Rs. in lakhs)
	Share Capital	5000
	Reserves & Surplus	44891
	Borrowings:	
a.	Debenture (Bonds)	25390
b.	Deposit (Long Term)	690327
c.	Deposit (Short Term)	42128
d.	Deposit received (advance)	11130
	Other liabilities:	
a.	Interest Outstanding	15689
b.	Sundry Creditors	
c.	Interest accrued but not due	69032
d.	Interest accrued but not due on Bonds	205
	Lease Adjustment	2058
	Others	413
	Provisions:	
	Income Tax	18179
	Proposed Dividend & Tax	581
		925023

B.	Assets	(Rs. in lakhs)
	Fixed Assets	429
	Lease Assets	2066
	Investment	7900
	Deferred Tax Assets	218
	Cash	1
	Bank A/c.	18672
	Interest accrued on investment	279
	Hire Purchase	128440
	Term Loan	719235
	Term Loan (Bonds)	25390
	Loan on deposits	1129
	Income Tax paid in advance	19438
	Interest accrued on Hire Purchase Loan	882
	Interest accrued on Long Term Loan	441
	Interest accrued on Long Term Bonds	390
	Others	113
		925023

Financial Performance Report as on 30.09.2012		
A.	Income	(Rs. in lakhs)
	Income from Operation	44341
	Interest earned on Investment	338
	Miscellaneous income	67
	Total (A)	44746
B.	Expenditure :	
	Employees Remuneration	56
	Interest charges	36765
	Administration & other expenses	31
	Advertisement & Publicity	8
	Deposit mobilization expenses	12
	Total (B)	36872
C.	Profit before depreciation	7874
D.	Depreciation	168
E.	Profit before tax	7706
G.	Income Tax provision	2000
H.	Profit after tax	5706

k. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest/continue to invest in the debt securities.

Nil

l. The name of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities.

Enclosed in the Annexure

m. The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.

Enclosed in the Annexure

n. If the security is backed by a guarantee or letter of comfort or any other document/letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Enclosed in the Annexure

o. Copy of consent letter from the Debenture Trustee

Enclosed in the Annexure

p. Names of all the recognized stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange.

Proposed to be listed in Bombay Stock Exchange (BSE)

q. Other details

i) Application process.

WHO CAN APPLY

Person's who have been addressed through a communication directly, are only eligible to apply. The categories of persons to whom the communication has been directed are:

1. Provident Funds, Superannuation funds and Pension, Gratuity Funds.
2. Commercial Banks,
3. Financial Institutions,
4. Insurance Companies, societies registered under the applicable laws in India and authorized to invest in bonds.
5. State/Central Co-operative Banks, Development Co-operative Banks, Land Development Banks, RRBs, Primary Co-operative Banks.
6. Port Trusts.
7. Mutual Funds, Companies, Bodies Corporate, Association of Persons and Individuals.
8. Others (subject to prevalent regulations) to whom a specific invitation has been made to subscribe to the Bonds.
9. Scientific and/or Industrial Research Organizations, authorized to invest in bonds.
10. Other Government and Non-government agencies authorized to invest in these bonds as per present and relevant government guidelines.

APPLICATION BY INDIVIDUALS

Individuals are also entitled to apply to the bond issue subject to the application qualifying for the minimum application amount and is valid in all other respects. Those desirous of claiming tax exemptions on interest on application money are compulsorily required to submit relevant declaration Form (as per I.T. Act 1961) along with the Application Form. For subsequent interest payments, such Forms have to be submitted periodically.

In the case of joint applications, the number of such applicants should not be more than three. All communications and cheques for interest/redemption will be addressed to the applicant whose name appears first, at the address stated in the application form/register of Bondholders.

Nomination Facility

As per Section 109 A of the Companies Act, 1956, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Bonds shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

APPLICATION BY PROVIDENT FUNDS, SUPERANNUATION FUNDS, GRATUITY FUNDS & PENSION FUNDS

Retirement Funds following Ministry of Labour Guidelines: As per Notification dated July 9, 2003 issued by Ministry of Labour / Shram Mantralaya, Government of India, in exercise of the powers conferred by Sub-paragraph (1) of Paragraph 52 of the Employees' Provident Funds Scheme, 1952 and in Supersession of the Notification of the Government of India in the Ministry of Labour No. S.O. 1398 dated the 11th July 1998 the Central Government directed funds to invest incremental accretions in these avenues as under:

15%: under category (ii) (b), the Bonds being fully and unconditionally guaranteed by the State Government for payment of interest and repayment of principal.

30%: under category (iii) (a), Bonds of „Public Sector Companies“ as defined in Section 2(36-A) of the Income Tax Act, 1961.

30%: under category (iv), for investment at the discretion of the Trustees in the above categories

Retirement Funds following Ministry of Finance Guidelines: As per the latest notification issued by the Ministry of Finance vide its Notification No- 5 (88)/2006

-PR. dated 14th August, 2008 thereby effecting partial modification in the Notification No. 5(53)/2002-ECB & PR dated 24th January, 2005, the pattern of investment to be followed by Non-Government Provident Funds, Superannuation Funds and Gratuity Funds shall be as follows, effective from 1st April, 2009:

Upto 55%: in Government Securities the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government OR

Upto 40%: in Debt securities with maturity of not less than three years tenure issued by Bodies Corporate including banks and public financial institutions(Public Financial Institutions“ as specified under Section 4A of the Companies Act, 1956.)

Enclosure required: The application must be accompanied by certified true copies of (i) Certificate of registration, if registered (ii) Power of Attorney granted to transact business on its behalf (iii) Any official valid document to identify the trustees, selectors, beneficiaries and those holding Power of Attorney, founders/managers/ foundation/ association (v) Telephone bill and (iv) PAN (otherwise exemption certificate issued by IT authorities).

APPLICATION BY NON-BANKING FINANCE COMPANIES (NBFCs) / RESIDUARY NON-BANKING FINANCE

Companies (RNBFC's) As per Circular No. DFC (COC) No. 2/02.04/96-97 dated July 24, 1996 issued by the Reserve Bank of India, NBFCs and RNBFCs are required to invest, inter alia, up to 10% of their Deposits in Government Guaranteed Bonds to meet their liquidity requirements. The Reserve Bank of India has vide its Circular No: DFC.121/ED/(G)-98 dated January 31, 1998 has specified that NBFCs are required to maintain liquid assets of 15.00% on and from April, 26 1999. The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association (ii) Power of Attorney (iii) resolution authorizing investment and containing operating instructions (iv) specimen signatures of authorized signatories. Application By Insurance Companies As per Circular No.32(I)/INVT/93 dated September 20, 1994 issued by Insurance Division, Department of Economic Affairs, Ministry of Finance, Government of India, insurance companies are required to invest upto 10% of their net surplus funds in State Government Securities or Government Guaranteed bonds.

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/ Other documents governing the constitution (ii) Power of Attorney (iii) resolution authorizing investment and containing operating instructions and (iv) Specimen signatures of authorized signatories.

APPLICATION BY INSURANCE COMPANIES

As per IRDA Circular F.No.IRDA/Reg./5/47/2008 dated August 30, 2008 insurance Companies can invest in these State Government guaranteed bonds within the meaning of Section 27A of Insurance Act' 1938 and as per investment policy approved by the Board of Directors/ Investment Committee.

The application must be accompanied by certified true copies of (i) Certificate of Information and Memorandum & Articles of Association (ii) Resolution of the Board of Directors and Identification of those who have authority to operate (iii) Power of Attorney granted to its managers, officers or employee to transact on its behalf (iv) Copy of PAN

allotment letter and (v) copy of the Telephone bill.

Application by Companies/ Bodies Corporate/ Financial Institutions/ Statutory Corporations

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Associations / Constitution / Bye-Law(s) (ii) certified true copy of the resolution authorizing investment and containing operating instructions (iii) specimen signatures of authorized signatories and (iv) relevant certificate(s) in the prescribed form(s) under Income Tax Rules, 1962, if exemption is sought from deduction of tax at source on interest income.

APPLICATION BY REGIONAL RURAL BANKS

The Reserve Bank of India has permitted, vide its circular No. RPCD.RRB.BC. 882/03.05.34/96-97 dated December 13, 1996, the RRBs to invest their non-SLR surplus resources in bonds of public sector undertakings. The RBI has vide circular no. RPCD (H)/04.03.06/98-99 dated November 02, 1998 clarified that single exposure norms would be applicable in respect of investment in debentures and bonds of public sector undertakings.

The application must be accompanied by certified true copies of (i) Government notification/ Certificate of In / Memorandum and Articles of Association/ other documents governing the constitution (ii) resolution authorizing investment and containing operating instructions (iii) specimen signatures of authorized signatories (iv) Proof of Income Tax exemption certificate for claiming exemption from deduction of tax at source on income from interest on application money and for claiming exemption from deduction of tax at source on the interest income.

APPLICATION BY CO-OPERATIVE BANKS

All cooperative banks including primary urban cooperative banks can invest in these bonds to the extent permissible under applicable Reserve Bank of India notification in force from time to time. The applications must be accompanied by certified true copies of (i) Government Notification/ Certificate of Registration/ Other documents governing constitution (ii) resolution authorizing investment and containing operating instructions (iii) specimen signatures of authorized signatories and (iv) Recognition certificate from Income Tax Department.

APPLICATION BY COMMERCIAL BANKS / MUTUAL FUNDS:

The Reserve Bank of India vide its Circular DBOD No.DIR: BC.4/13.7.05/94 dated 25th January 1994 to all scheduled commercial banks, has withdrawn the ceiling of 5 % of incremental deposits of the previous year for investments in equity shares and debentures of Public Sector Undertakings. The Reserve Bank of India has vide its Circular No.DP.BD.3221.01.018/98 dated April 29, 1998 clarified that investment in bonds and debentures where payment of interest and principal is guaranteed by the Central/State Government shall carry zero risk weight for the purpose of capital adequacy. The Reserve Bank of India has however, vide Circular No. MPD- BC 181/07.01.279/98-99 dated 30.10.1998 introduced a 2.5% risk weight on Central/State Government securities and in securities guaranteed by them by the year ending March 2000. Further, an additional risk weight of 20% is introduced in the Government guaranteed securities of Government undertakings with effect from financial year 2000-01. the application must be accompanied by certified true copies of 1) Certificate of Incorporation, Memorandum & Articles of Association, 2) Power of Attorney 3) Resolution authorizing investment and containing operating instruction 4) SEBI registration certificate where ever applicable 5) Specimen signature of authorized signatories.

APPLICATION BY CHARITABLE/ RELIGIOUS TRUSTS

The payment of interest and principal repayments on the bonds being guaranteed by Government of Tamil Nadu, these bonds fall within section 20(a) of the Indian Trust Act, 1882 and hence are

considered as eligible investment for Trusts which are registered under the said Act. Other trusts, whose trust deeds provide for Investments in the Bonds may also apply to this issue of Bonds, subject to the approval of the Charity Commissioner or other appropriate authority, as the case may be investments in these bonds will qualify as eligible investments under section 11(5) of the Income Tax Act, 1961.

The application must be accompanied by certified true copies of 1) Trust Deed/bye laws 2) Certificate of Registration 3) Resolution authorizing investment and containing operating instruction 4) Specimen signature of authorized signatories 5) Relevant certificates in the prescribed form (s) under Income Tax Rules, 1962, if exemption is sought from deduction of tax at source on interest income.

APPLICATION BY PORT TRUSTS

As per section 88 of the Major Port Trusts Act, 1963 the bonds being guaranteed by the Government of Tamil Nadu are categorized as public security for the purpose of investments by Port Trusts.

APPLICATIONS UNDER POWER OF ATTORNEY

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the TNPFDCL or to its Registrars or to such other person(s) at such other address (es) as may be specified by the TNPFDCL from time to time through a suitable communication.

DOCUMENTATION TO BE PROVIDED BY INVESTORS

Investors need to submit the following documentation, along with the application form, as applicable in addition to documents under 'Know Your Customer (KYC) Guidelines-Anti Money Laundering Standards'

- Memorandum and Articles of Association/ Documents Governing Constitution
- Resolution authorizing investment.
- Certified True Copy of the Power of Attorney
- Specimen signatures of the authorized signatories duly certified by an appropriate authority.
- Proof of Income tax exemption certificate seeking exemption from Tax deducted at source from interest.

B. Issue details

a. Summary term sheet:

Security Name	9.19% 2023 Powerfin Bonds-1/2013-14
Issuer	Tamil Nadu Power Finance And Infrastructure Development Corporation Limited
Type Of Instrument	Rated, Listed, Redeemable Non-Convertible bonds in the nature of debentures.
Nature Of Instrument	Unsecured
Seniority	Senior
Mode Of Issue	Private placement
Eligible Investors	<ol style="list-style-type: none"> 1. Provident Funds, Superannuation Funds and Pension, Gratuity Funds. 2. Commercial Banks 3. Financial Institutions 4. Insurance Companies, societies registered under the applicable laws in India and authorized to invest in bonds 5. State/Central Co-operative Banks, Development Co-operative Banks, Land Development, RRBS, Primary Co-operative Banks. 6. Port Trusts 7. Mutual funds, Companies, bodies Corporate, Association of Persons and Individuals. 8. Others (subject to prevalent regulations) to whom a specific invitation has been made to subscribe to the bonds. 9. Scientific and / or industrial research Organizations, authorized to invest in bonds. 10. Other Government and Non-Government agencies authorized to invest in these bonds as per present and relevant government guidelines.
Listing (Including Name Of Stock Exchange(S) Where It Will Be Listed And Timeline For Listing)	Bombay Stock Exchange. Within 20 days from the date of allotment
Rating Of The Instrument	Provisional A(SO) by Brickworks & Conditional A-(SO) by ICRA
Issue Size	Rs. 500 crores
Option To Retain Over Subscription(Amount)	Rs. 500 crores
Objects Of The Issue	To part fund TANGEDCO capital expenditure
Details Of The Utilization Of The Proceeds	Same as above
Coupon Rate	9.19% p.a.
Step Up/Step Down Coupon Rate	Not applicable
Coupon Payment Frequency	Semi annual
Coupon Payment Dates	Six months from the date of allotment
Coupon Type	Fixed
Coupon Reset Process(Including Rates ,Spread , Effective Date, Interest Rate Cap And Floor Etc)	Not Applicable
Day Count Basis	Actual
Interest On Application Money	9.19% p.a.
Default Interest Rate	Additional interest rate of 2% over the coupon rate for the defaulting period.

Tenor	120 Months from the deemed Date of allotment
Redemption Date	1. 30% at the end of 8th year 2. 30% at the end of 9th year 3. 40% at the end of 10th year
Redemption Amount	At Par
Redemption Premium /Discount	Nil
Issue Price	At Par
Discount At Which Security Is Issued And The Effective Yield As A Result Of Such Discount.	Not applicable
Put Option Date	At the end of seventh year
Put Option Price	At Par
Call Option Date	At the end of seventh year
Call Option Price	At Par
Put Notification Time	Timelines by which the investor need to intimate Issuer before exercising the put option 15 days prior to the due date
Call Notification Time	Timelines by which the investor need to intimate Issuer before exercising the Call option 15 days prior to the due date
Face Value	Rs10 lakhs per instrument for all the issues
Minimum Application And In Multiples Of _Debt Securities Thereafter	One
Issue Timing	
1. Issue Opening Date	22.04.2013
2. Issue Closing Date	28.05.2013
Issuance Mode Of The Instrument	Demat only
Trading Mode of the Instrument	Demat only
Settlement Mode of the Instrument)	Demat only
Depository	NSDL/CDSL
Business Day Convention	Means a day (other than a Sunday or a Bank holiday) on which banks are open for general business in Chennai. If the due date for payment falls on a day that is not a Business Day, then the due date in respect of such payment shall be succeeding Business Day of the Issuer.
Record Date	15 Days prior to each coupon payment/ Put option date/Call option date / Redemption Date
Security(where applicable)(including description , type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security).	Not applicable
Transaction Documents	Information Memorandum Debenture Trustee Agreement Tripartite Agreement between Trustee, Issuer and Guarantor
Conditions Precedent To Disbursement	Nil
Conditions Subsequent To Disbursement	Nil
Events Of Default	Delay in payment of interest and redemption of principal on the respective due dates.
Provisions Related To Cross Default Clause	N/A
Role And Responsibilities Of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Bond Holders.
Governing Law And Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing Indian Law. Any dispute arising thereof on any account whatsoever will be subject to the jurisdiction of the Courts at TamilNadu only.

BANKING DETAILS:

Applications should be accompanied by cheque or RTGS or Demand Draft payable at Chennai in favour of "**TAMILNADU POWER FINANCE & INFRASTRUCTURE DEVELOPMENT CORPORATION LTD**" and crossed "Account Payee Only" and may be drawn on any bank including a Co- operative Bank, which is a member or a sub-member of the Bankers clearance House, located at the place where the application forms are submitted. Outstation cheques, money orders, stock invests, cash or postal orders will not be accepted.

Pay in Period : 22-04-2013 to 28-05-2013

IFS Code : SBIN0002190

MICR No. : 600002003

A/c. No. : 32943639458

Full address of the Bank: State Bank of India, 6/36, Sriman Srinivasan Road, Off TTK Road, Alwarpet, Chennai 600 018.

Contact details : Phone No. - 044 24992397
Fax No.- 044 2498 8145

C. Terms of Offer

a. Issue price

Issue of the Debentures of the face value of Rs10,00,000/- (Rupees Ten Lakhs only) each, aggregating upto Rs500 crores (five hundred crores only) on private placement basis at par.

b. Deemed date of allotment

The deemed date of allotment shall be within 20 working days from the closure of the Issue. All benefits related to the debentures will be available to the allottees from the deemed date of allotment.

c. Authority for the Placement

In order to assist TANGEDCO financially, Government of Tamil Nadu have granted permission to TNPFI to raise additional resources through mobilization of bonds on private placement basis to meet TANGEDCO's capital expenditure requirements. The Government of Tamil Nadu vide its G.O.Ms.No.115, Energy (D2) Department, dt. 25.11.2011 have permitted PowerFin to mobilize additional resources by floating bonds for Rs.6000 crores to assist TANGEDCO. Government in their G.O. Ms.No.9, Energy (D2) Department dt.6.2.2012 have revised their sanction and granted permission to TANGEDCO to mobilize additional resources for raising funds through LIC / term loan from other Financial Institutions / Banks and companies for a sum of Rs.5000 crores out of Government guarantee of Rs.6000 crores issued to PowerFin limiting PowerFin to mobilize Rs.1000 crores only. Subsequently, Government in G.O.Ms.No. 19, Energy (D2) Department, dt.2.3.2012 have now granted permission to PowerFin to issue additional Government guarantee to the extent of Rs.5000 crores in favour of PowerFin in order to mobilize bonds through private placement to the total extent of Rs.6000 crores.

The Government of Tamil Nadu has provided unconditional and irrevocable Government Guarantee in G.O.Ms. No. 60, Finance (L&A Cell) Dept., dt.7.3.2012 read with G.O.Ms.No.331, Finance (L&A Cell) Department, dt. 03.12.2011 to Tamil Nadu Power Finance and Infrastructure Development Corporation Limited for Rs.6000 crores for mobilization of resources through Private placement of bonds. This guarantee is unconditional and irrevocable and shall be in force until the entire liabilities of Tamil Nadu Power Finance and Infrastructure Development Corporation Limited under the guarantee are extinguished.

d. Security

Nil.

e. Debenture trustee

SBI CAP Trustee Company Ltd.

f. Record Date

15 days prior to the date on which any payment is to be made to the Debenture Holders.

g. Maturity & Yield on Redemption

10 years from the date of allotment.

Coupon @ 9.19%p.a payable semi-annually

h. Transaction Structure / Credit Enhancement features:

Credit Enhancement	Government of Tamil Nadu shall give an unconditional, irrevocable, and continuing guarantee for the timely and full repayment of principal and interest due there on during the entire tenure of bonds. The invocation of the guarantee will be operated by a trigger mechanism as stipulated below.
Appointment of Trustee	The entity shall appoint a trustee to the bondholders. The bondholders shall be deemed to have given consent to and authorized the trustee to, inter alia, exercise all the rights and remedies of the bond holders on their behalf without any reference to the bondholders.
Tripartite Agreement	The transaction structure as discussed herein stipulates a Tripartite Agreement between the entity, government of Tamil Nadu and the trustee to the bondholders. The tripartite agreement is to be executed before the withdrawal of funds from the No-lien issue account, as provided herein below and no later than 90 days subsequent to the date of allotment of the rated bonds, unless the trustee to the bondholders allows an extension of the same.
Issue Account	The entity will open a no-lien issue account. The proceeds raised from the issue of the bonds shall be credited into the main collection account of the issuer on daily basis pending allotment. Note: As per the arrangement, TNPFIDCL will withdraw/ transfer the clear balance of the collection amount (received per day till closure of the issue) on the same day to their general account for their utilization.
Compliance Certificate	The trustee shall ensure that all the terms and conditions of the transaction structure including execution of requisite legal documents as stipulated by Credit Rating Agencies for the rated structured obligation as discussed herein are complied with and there after issue a compliance certificate to the entity, and forward copies of the same to Credit Rating Agencies and the designated bank. Any exceptions to this must be specifically approved by the trustee to the bondholders

	<p>The designated bank shall be given a standing instruction that unless it receives a copy of the compliance certificate from the trustee within the time stipulated hereunder, it shall not permit withdrawal of funds by the entity from the issue account</p> <p>Upon receipt of the compliance certificate from the trustee and the executed tripartite agreement within 90 days from the date of allotment of the bonds, Credit Rating agencies shall issue a final rating letter. In the event that the compliance certificate and the executed tripartite agreement are not received within 90 days from the date of allotment of the bonds, Credit Rating Agencies will review the status of compliance with the terms of the structure obligation. Credit Rating Agencies reserves the right to suspend, withdraw, or revise the assigned rating.</p>
Escrow Account	<p>The entity will open a no-lien escrow account (in the nature of trust and retention account) with a designated bank before the allotment of the bonds. The amount to be paid to the bondholders is to be credited into the escrow account. Any amount credited into the escrow account shall be held in trust only for the benefit of the bondholders. All withdrawals from the said escrow account shall be made only after obtaining the approval from the trustee to the bondholders and such withdrawal shall be exclusively for (a) payment of principal and/or interest to the bondholders and/or (b) for making investments, as provided herein below.</p> <p>Any credit balance lying in the escrow account can be withdrawn, with the approval of the trustee, by the entity at the end of the tenure of the bonds when all the dues to the bondholders have been paid.</p>
Intimation to Government of TamilNadu	<p>45 working days prior to the due date for payment of interest and/or principal, the trustee shall send notices to the finance secretary and/or designated official, government of Tamil Nadu and the entity, with a copy to Credit Rating Agencies, indicating (a) the forthcoming due date and (b) the amount payable to the bondholders as interest and/or principal on the said due date and shall also request government of Tamil Nadu to ensure that adequate funds are available in the escrow account for servicing the bond holders as per the payment mechanism provided herein below.</p>
Monitoring of the escrow account	<p>The trustee will monitor the balance in escrow account including invested funds as provided herein below, 5 working days prior to every due date for payment of interest and/or principal. In the event that the balance in escrow account, after taking into account invested funds as provided herein below is inadequate, the trustee shall send further notices to the finance secretary and/or designated official, government of Tamil Nadu and the entity, with a copy to CREDIT RATING AGENCIES, as described above. The trustee shall take all the necessary steps (including invocation of the guarantee) as provided herein in case of a shortfall.</p>

<p>Payment Mechanism</p>	<p>The entity shall credit adequate funds in the escrow account for servicing the bond holders at least 5 days prior to the forthcoming due date for payment of principal and/or interest.</p> <p>As and when the funds are credited in the escrow account, the entity and/or the designated bank shall send to the trustee a written confirmation regarding balance of funds in the said escrow account.</p> <p>The cheques for the payment of interest and/or principal shall be dispatched to the bond holders at least 5 working days prior to the due date for payment</p>
<p>Event of shortfall and invocation of guarantee</p>	<p>If, on the 5th working day prior to every due date for payment of interest and/or principal, the amount in the said escrow account, after taking steps as mentioned in above clause on investments of funds in the escrow account is not sufficient for servicing the bondholders on the forthcoming due date for payment of principal and/or interest, the trustee shall forthwith invoke the guarantee issued by Government of Tamil Nadu on invocation of the guarantee, Government of Tamil Nadu must transfer funds into the escrow account to the extent of short fall at least one working day prior to the due date.</p>
<p>Other terms</p>	<p>Oversubscription if any shall be refunded to the investors after completion of the allotment process.</p> <p>Notwithstanding anything to the contrary contained in any agreement and/or transaction documents relating to the bonds, the Credit Rating Agencies structure conditions shall prevail in case of any inconsistency.</p>

h. MATERIAL CONTRACTS & DOCUMENT

A. MATERIAL CONTRACTS

- a. Copy of letter appointing Cameo Corporate Services Limited as Registrar and Transfer Agent.
- b. Copy of letter appointing SBICAP Trustee Co. Ltd. as Trustee to the Bondholders.

B. Document

- (i) Credit Rating Letters for the current placement
- (ii) Board resolution approving the current private placement of bonds
- (iii) Consent letters of the registrar and the trustee of the Bond holders

j. ANYMATERIALEVENT/DEVELOPMENTOR CHANGEATTHETIMEOFISSUEORSUBSEQUENT TO THEISSUEWHICHMAYAFFECTTHEISSUEORTHEINVESTOR'SDECISIONTOINVEST/ CONTINUE TOINVESTINTHEDEBTSECUTITIES.

NIL

k. UNDERTAKING THAT THE ISSUER SHALL USE A COMMON FORM OF TRANSFER

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

The Company undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Disclosure Document.

I. INFORMATION RELATING TO THE TERMS OF OFFEROR PURCHASE.

1) PRESENT PLACEMENT

Tamil Nadu Power Finance & Infrastructure Development Corporation Ltd proposes to raise Rs. 500 Crores and to retain over subscription up to Rs. 500 crores through private placement of 5000 Bonds of face value of Rs. 10,00,000/- each.

2) AUTHORITY FOR THE PLACEMENT

The present placement of Bonds is being made pursuant to the resolution passed by the Board of Directors of the company at its meeting held on 28th March, 2013.

3) NATURE OF INSTRUMENT

State Government guaranteed Rated, Listed Redeemable, and Non- Convertible Bonds in the form of debentures.

4) GUARANTEE

The Bonds are unconditionally and irrevocably, guaranteed as to the timely repayment of principal and payment of interest, by Government of Tamil Nadu.

5) FACE VALUE

Each Bond shall have a face value of Rs. 10,00,000/- (Rupees Ten lacs only).

6) CREDIT RATING:

Provisional BWR A (SO) by M/s. Brickwork Ratings India Pvt. Ltd. and Conditional (ICRA) A- (SO) by M/s. ICRA Limited.

7) LISTING

The bonds of the Company are proposed to be listed on The Bombay Stock Exchange, Mumbai.

8) BONDS TO BE ISSUED ONLY IN DEMATERIALIZED FORM

The TNPFIDCL will execute an agreement with National Securities Depository Limited & Central Depository Services (India) Limited (CDSL) for dematerialization of bonds. The investors can hold the

bonds only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

In this context the Company has entered into two tripartite agreements as under:

1. Tripartite Agreement between TNPFDCL, Cameo Corporate Services Limited and National Securities Depository Ltd. for offering depository option to the investors.
2. Tripartite Agreement between TNPFDCL, Cameo Corporate Services Limited and Central Depository Services (India) Ltd. for offering depository option to the investors.

9) UNDERWRITING

The present issue is not underwritten.

10) ALLOTMENT

TNPFDCL will make allotment to the investors in due course after verification of the Application Form(s), the accompanying documents and on realization of the application money.

11) MINIMUM APPLICATION

The application should be for a minimum of one (1) bond.

12) HOW TO APPLY

The full face value of the Bond is payable on application. The application should be accompanied with the cheque(s)/ RTGS details, Demand draft(s) for the total amount of face value of Bonds applied for subscription.

All applications for the bonds must be made in the prescribed form, and must be completed in block letters in English. The completed Application form along with cheque(s)/RTGS details, Demand draft(s) for the requisite amount, and other necessary documents may either be submitted with the Arrangers or may be deposited directly with the Collecting Banker.

For detailed instruction, please see the enclosed Application Form.

13) UNDERTAKINGS FROM THE ISSUER: TNPFDCL hereby undertakes

- i) That the complaints received in respect of the issue shall be attended expeditiously and satisfactorily.
- ii) That all steps for completion of the necessary formalities and commencement of trading at BSE will be taken within 20 working days of finalisation of the allotment of securities.
- iii) That TNPFDCL shall apply in advance for listing of the securities at BSE.
- iv) That the funds required for despatch of refund orders/allotment letters/certificates by registered post shall be made available to the Registrar to the issue.
- v) That the certificates of the securities/ refund orders to the non-resident Indians shall be despatched within specified time.

- vi) That no further issue of securities shall be made till the securities offered through this Information Memorandum are listed or till the application moneys are refunded on account of non-listing etc.
- vii) That TNPFDCL shall forward the details of utilisation of the funds raised through the Bonds duly certified by the statutory auditors of TNPFDCL, to the Bond Trustees at the end of each half-year.
- viii) That TNPFDCL shall disclose the complete name and address of the Bond Trustee in the annual report.
- ix) That TNPFDCL shall provide a compliance certificate to the Bondholders (on yearly basis) in respect of compliance with the terms and conditions of issue of Information Memorandum as contained in the Information Memorandum, duly certified by the Bond Trustee.
- x) That necessary cooperation with the credit rating agency (ies) shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding

14) PAN/GIR NUMBER

All Applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

15) SIGNATURES

Signatures should be made in English or in any of the Indian Languages. If the signature is in any other language then it must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

16) INTEREST ON APPLICATION MONEY

"Interest on application money shall be payable at coupon rate (subject to the deduction of Income Tax at Source at the applicable rate under Income Tax Act, 1961 & other statutory modification or re-enhancement thereof) from the date of realization of cheque(s)/demand drafts) upto one day prior to the deemed date of allotment. Such interest payments on the application money shall become payable alongwith the Letter of Allotment."

17) ACKNOWLEDGEMENTS

No separate receipts will be issued for the application money. However, the Bankers to the Issue receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the Acknowledgement slip at the bottom of each Application Form.

18) AMENDMENT OF THE TERMS OF THE BONDS:

TNPFDCL reserves the right to change the issue programme / structure. In the event of exercise of such a right, the investors will be intimated the revised schedule/ structure. Investors may note that in such an event, the dates and time mentioned will stand revised accordingly. TNPFDCL may amend the terms of the Bond(s) at any time by a resolution passed at a meeting of the bondholders with the consent of the bondholders holding in the aggregate more than 50% in nominal value of the Bonds held and outstanding under the respective schemes from those present and voting.

19) ALLOTMENT PROCEDURE

The allotment of bonds against the applications will be made on the first come first serve basis or in any other manner as may be decided by the TNPFDCL in consultation with the Arrangers. However, TNPFDCL in consultation with the Arrangers reserves the right to make the Allotment at its absolute discretion and will not be held liable for rejecting any application, either in whole or in part.

20) BOOK CLOSURE DATE

The TNPFDCL Register of Bondholders will be closed for the purposes of payment of interest or redemption of Bonds, as the case may be, 15 days prior to the respective due date.

21) BONDHOLDER NOT A SHAREHOLDER

The Bondholders will not be entitled to any of the rights and privileges available to the shareholders. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Company, such resolution will first be placed before the Bondholders for their consideration.

22) CONSENTS

Consents in writing from the Trustees to the Bondholders, Registrars and the Bankers to the Issue to act in their respective capacities have been obtained and none of them have withdrawn their consent up to the date of delivery of a copy of this Information Memorandum to the BSE.

23) FICTITIOUS APPLICATIONS

Any person who -

- a) Makes, in a fictitious name, an application to a body corporate for acquiring, or subscribing to, the bonds, or
- b) Otherwise induces a body corporate to allot, or register any transfer of, bonds therein to them, or any other person in a fictitious name, shall be liable for legal consequences of such action.

24) FORCE MAJEURE

If the performance in whole or in part by the contract or any obligation under this contract is prevented or delayed by reasons of any eventuality for a period not exceeding 20 working days, the TNPFDCL may at its option to terminate this contract by notice in writing.

25) MODIFICATION OF RIGHTS

The rights, privileges, terms and conditions attached to the Bond may be varied, modified or abrogated with the consent, in writing, of those holders of the Bond who hold at least three fourth of the outstanding amount of the Bond or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the TNPFDCL where such consent or resolution modifies or varies the terms and conditions of the Bond, if the same are not acceptable to the TNPFDCL.

26) IMPERSONATION

Any person who-

- a) Makes in a fictitious name an application to a company of acquiring, or subscribing for any Securities therein, or

- b) Otherwise induces a company to allot or register any transferor of Securities therein to him, or any other person in a fictitious name shall be punishable under the extant laws.

27) INTEREST RATE

The Bonds will carry interest at the coupon rate for tenure of 10 years, from the Deemed Date of Allotment. The interest will be paid from the Deemed Date of Allotment (subject to deduction of tax at source at the rates prevailing from time to time under the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof) and is payable half yearly. The interest payable shall be calculated by multiplying the coupon rate by the principal amount, multiplying such product by actual number of days in the interest period concerned dividing by 365 (in case of leap year by 366 days). The day count convention is actual/actual basis.

28) INTEREST PERIOD

1. The first interest period is defined as the actual number of days falling between the Deemed Date of Allotment to the last day of the six month from that date including both the first date and the last date.
2. The last interest payment would be made on the redemption date along with the redemption of principal amount or where-in the put/call option is exercised the last interest payment date shall be the 10th year from the deemed date of allotment.

29) PAYMENT OF INTEREST

The interest on bonds (subject to deduction of Income-Tax at source at the applicable rates under the Income-Tax Act, 1961 & other statutory modification or re-enactment thereof for which a certificate shall be issued by TNPFDCL) is paid semi annually till maturity with the first interest payment to the bond holders whose names appear on the register 15 days prior to the date of payment of interest.

The payment of interest will be made only to the first or sole registered bondholders. The first interest payment and the interest for the last interest payment or part thereof on the date of redemption shall be proportionate and all interest on the bonds shall cease on the date of final redemption in all events. The interest warrant will be dispatched to the bondholders by registered post/RTGS.

30) PUT OPTION AND CALL OPTION

A Bondholder shall have the right to "Put" the Bonds i.e. get them redeemed at par at the end of 7th year from the date of allotment. For availing the facility, the bondholder shall forward the request in writing to TNPFDCL at least 15 days (both days exclusive) prior to due date which will also be the record date for payment of interest and redemption amount.

TNPFDCL shall have the right to "Call" the whole or any part of the Bonds i.e. redeem them at the end of 7th year from the date of allotment. For availing this facility TNPFDCL shall announce its intention to do so through a public notice in at least one (1) All India English and one (1) All India Hindi daily newspaper at least two months before the due date. In case TNPFDCL exercises the call option, interest on bonds shall cease on the expiry of 7 year from the date of allotment.

31) TAX DEDUCTED AT SOURCE

Tax applicable under the Income-Tax Act, 1961, or any other statutory modification or re- enactment thereof will be deducted at source. Tax exemption certificate/ document, under section 193/197/197A of the Income Tax Act, 1961, if any must be lodged in duplicate at the office of TNPFDCL, at least 30 days prior to the interest payment date. Tax exemption certificate in respect of non- deduction of tax on interest on application money, must be submitted along with the Application Form to the satisfaction of the TNPFDCL.

TNPFIDCL is following mercantile system of accounting hence provision of interest accrued but not due is to be made on 31st March every year. Tax will be deducted on the basis of list of subscribers outstanding as on 31st March and deposited with the income tax authorities as per the provisions of Income Tax Act. The requisite TDS form no. 16A will also be issued to the subscribers.

32) REDEMPTION

The face value of the Bonds will be redeemed at par at the end 8th, 9th and 10th year in the ratio of 30:30:40 from the deemed date of allotment. The interest on the bonds will cease to accrue from the date of redemption.

The Bonds held in Dematerialized form shall be taken as discharged on payment of the redemption amount by the Corporation on maturity to the registered Bond holders whose name appears in the Register of bonds holders 30 days prior to the due date for payment of redemption amount. Such payment will be a legal discharge of the liability of the Corporation towards the Bondholder(s). On such payment being made, the Corporation will inform NSDL and accordingly the account of the Bondholder(s) with NSDL will be adjusted.

33) REGISTER OF BONDHOLDERS

The Register of bondholders containing necessary particulars will be maintained by Finance Division in TNPFIDCL at its Registered Office and all enquiries / correspondence relating thereto may be addressed to the compliance officer at the above mentioned address.

34) REGISTRATION AND GOVERNMENT APPROVALS

This present issue of Bonds is being made in accordance with extant guidelines for floatation of State Government guaranteed Bonds as amended from time to time. The TNPFIDCL can undertake the activities proposed by it in view of the present approvals and no further approval from any government authority/(ies) is required by the TNPFIDCL to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

35) RIGHT TO REPURCHASE/REPLACEMENT OF BOND(S)

TNPFIDCL shall have the power exercisable at its absolute discretion, from time to time, to repurchase from the open market, through market makers or otherwise at par, discount or premium, all or any of the Bonds at any time prior to the specified date of redemption. Such bonds may be cancelled (extinguished), held, resold or replaced. Where TNPFIDCL purchases bonds, TNPFIDCL shall have and shall be deemed always to have had the right to keep such Bonds alive for the purposes of resale or replace and in exercising such right, TNPFIDCL shall have and deemed always to have had the power to resell or replace the same bonds or by issuing other bonds in lieu thereof.

36) SUCCESSION

In the event of demise of the holder of the Bonds, TNPFIDCL will recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bonds. TNPFIDCL shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. TNPFIDCL may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bonds standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

37) RIGHTS OF BONDHOLDER(S)

The Bondholder(s) will not be entitled to any rights and privileges of shareholders other than those available to them under the law. The Bond shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of the Corporation. The principal amount and interest, if any, on the Bond will be paid to the holder only, or in the case of joint-holders, to the person whose name stands first in the Register of Bondholders.

38) FURTHER BORROWINGS

TNPFIDCL shall be entitled to raise funds in appropriate form including placement of Bonds/ Debentures (Secured or Unsecured), in any manner having such ranking in priority, parri passu or otherwise. TNPFIDCL will also be entitled to change its capital structure including issue of shares of any class, on such terms and condition, as TNPFIDCL may think appropriate without the consent of or intimation to the Bondholder(s) in this connection.

39) RIGHT TO ACCEPT/ REJECT APPLICATIONS

TNPFIDCL is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application forms which are incomplete or which do not fulfill the Terms & Conditions indicated on the back of the application form are liable to be rejected.

40) REGISTRATION OF TRANSFER

The necessary transfers of Bonds in DEMAT form will be effected by the depository, NSDL/CDSL. The concerned depositories shall inform the Registrars about the rightful owners of the Bonds for payment of interest and principal amount.

41) REFUNDS

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 30 days from the Deemed Date of Allotment.

42) PAYMENTS AT PAR

Interest as well as the redemption amount, shall be paid through RTGS/ instruments payable at par.

43) DESPATCH OF DOCUMENTS

All the correspondence shall be dispatched by registered post to the address of the holder whose name appears first in the Register of Bond holders. This will be at the sole risk of the addressee.

44) GOVERNING LAW

The Bonds are governed by and shall be construed in accordance with the existing Indian Law. Any dispute arising thereof on any account whatsoever. Will be subject to the jurisdiction of the Courts at Tamil Nadu only.

45) NOTICES

The notices to the Bondholder(s) required to be given by the TNPFIDCL shall be deemed to have been given if sent by ordinary post to the Sole/ First named registered holder(s) of the Bonds. All notices to be given by the Bondholder(s) shall be sent by the registered post or by hand to the TNPFIDCL or to such persons at such address as may be notified by TNPFIDCL from time to time.

46) GENERAL

Over and above the aforesaid Terms and Conditions, the said Bonds shall be subject to the Terms and Conditions incorporated in the Application

47) MISCELLANEOUS

A Register of Bondholders shall be maintained. Such Register shall be closed fifteen (15) business days prior to each interest payment date. In case of dissolution /bankruptcy/insolvency/winding up of Bondholders, the Bond certificates shall be transmittable to the Legal Representative(s)/Successor(s) or the Liquidator, in accordance with the law on such terms as may be deemed appropriate by the TNPFDCL.

48) TRANSFERABILITY OF BONDS

The normal procedure applicable for dematerialized securities shall be followed for transfer of Bonds in electronic form. In case of transfer (from one demat holder to another demat holder), the seller will give delivery instructions containing details of the buyer's DP account to his Depository Participant.

49) SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES, PAYMENT OF DUE INTEREST ON DUE DATES ON TERM LOANS AND DEBT SECURITIES.

There has been no delay in servicing of interest due.

50) THAT THE PERMISSION / CONSENT FROM THE PRIOR CREDITOR FOR A SECOND OR PARI PASSU CHARGE BEING CREATED IN FAVOR OF THE TRUSTEES TO THE PROPOSED ISSUE HAS BEEN OBTAINED.

The Company hereby confirms that it is entitled to raise money through current issue of Debentures without the consent/ permission/ approval from the Debenture holders/ Trustees/ Lenders/ other creditors of the Company.

51) TRUSTEES OF THE BONDHOLDERS:

TNPFDCL has appointed "SBICAP Trustee Co. Ltd." to act as Trustees to the Bondholders. TNPFDCL and the Trustees will enter into a Trustee Agreement, specifying inter alia, the powers, authorities and obligations of the Trustees and TNPFDCL. The bondholders shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the bondholders. It is proposed that in terms of the agreement, the Trustees will endeavour to protect the interest of the bondholders, in the event of default in regard to timely payment of interest or repayment of principal by TNPFDCL.

Any payment made by TNPFDCL to the Trustees on behalf of the bondholders shall discharge TNPFDCL of its obligations to the bondholders. No Bondholder shall be entitled to proceed directly against TNPFDCL unless the Trustees, having become so bound to proceed, fail to do so.

A copy of letter from SBICAP Trustee Co. Ltd. conveying their consent to act as Trustee for the current issue of Bonds is enclosed elsewhere in this Disclosure Document.

52. DECLARATION

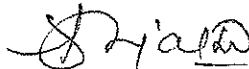
It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No.LAD-NRO/GN/2008/13/127878 dated June 06, 2008, and issue and listing of Debt Securities (amendment Regulations 2012).

The Company also confirms that the Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Company accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued and that any one placing reliance on any other source of information would be doing so at his own risk.

Signed by CA.S.Sujatha, General Manager, pursuant to the internal authority granted.

For TAMIL NADU POWER FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED.



Ms. CA.S.Sujatha
General Manager
Date: 18.04.2013
Place: Chennai



Kind Attention Mr. Rajasekar.

**ABSTRACT**

Government Guarantee – Tamil Nadu Power Finance and Infrastructure Development Corporation Limited – Raising resources by floating Bonds to the tune of Rs.6000 Crores to fund new projects and for swapping the high cost loans of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) – Sanctioned – Orders issued.

FINANCE (LOANS & ADVANCES CELL) DEPARTMENT

G.O. Ms. No. 331

Date: 03-12-2011.

Karthigai-17

Thiruvalluvar Aandu 2042.

READ:

1. From the Chairperson & Managing Director, Tamil Nadu Power Finance and Infrastructure Development Corporation Limited, Chennai-35, Letter Ref. No.PF/Bonds/2011-2012/03 dated : 12-10-2011 and 21-10-2011
2. G.O. Ms.No.115, Energy (D2) Department, dated: 25-11-2011.

* * *

ORDER:

In the Government Order read above, the Government have issued orders permitting the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited to mobilize additional resources by floating bonds for Rs.6000 Crores to fund the new projects and for swapping of the high cost loans of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).

2. In exercise of the powers conferred under Article 293(1) of the Constitution of India, the Governor of Tamil Nadu hereby guarantees the repayment of principal together with interest on the funds to be raised by the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited through Placement of Bonds to the tune of Rs.6000 Crores (Rupees Six thousand Crores only).

3. Under clause (1) of Article 299 of the Constitution of India, the Governor of Tamil Nadu hereby authorizes the Deputy Secretary to Government, Finance (Budget) Department to execute the agreement as guarantor, on behalf of Government of Tamil Nadu.

4. The Government further direct that a Guarantee Fee of ½ % (half a percent only) per annum be charged from the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited on the outstanding guaranteed amount once in every half year and the same shall be remitted into Government account under the following head of account:

0075 Miscellaneous General Services
 00 Miscellaneous General Services
 108 Guarantee Fee
 AA Guarantee Fee
 (D.P. Code 0075 00 108 AA 0007)

5. The Chief Electrical Inspector to Government shall watch the prompt repayment of principal and payment of interest on the guaranteed amount and also the remittance of Guarantee Fee to Government by the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited. The report regarding the repayment of principal/payment of interest and Guarantee Fee shall be sent to the Government in Finance (L & A Cell) Department with a copy marked to Energy Department and also to the Accountant General, Chennai 600018 periodically, every six months, ending September and March in the

Energy Department shall conduct periodical review regarding the repayment of principal and payment of interest and Guarantee Fee by the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited.

6. The following notification shall be published in the Tamil Nadu Government Gazette:

NOTIFICATION

In exercise of the powers conferred under clause (1) of Article 293 of the Constitution of India, the Governor of Tamil Nadu hereby guarantees unconditionally and irrevocably repayment of principal to the aggregate value of Rs.6000 Crores (Rupees Six thousand Crores only) together with interest and other charges thereon on the bonds to be issued by the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited, Chennai 600035, till the principal is redeemed fully from the date of issue of bonds.

7. Necessary entries regarding this Government Order have been made in the Guarantee Register vide Serial No.345

(BY ORDER OF THE GOVERNOR)

**K. NANTHAKUMAR,
DEPUTY SECRETARY TO GOVERNMENT.**

To
The Principal Secretary to Government, Energy Department, Chennai 600009.
The Chairperson & Managing Director, Tamil Nadu Power Finance and Infrastructure Development Corporation Limited Chennai-35.
The Chief Electrical Inspector to Government, Guindy, Chennai 600032.
The Chairman & Managing Director, Tamil Nadu Generation and Distribution Corporation Limited Chennai 600002.
The Director-Finance, Tamil Nadu Generation and Distribution Corporation Limited, Chennai 600002.
The Chairman & Managing Director, TNEB Limited Chennai 600002.
The Chief Financial Controller/GL, Tamil Nadu Generation and Distribution Corporation Limited, Chennai 600002.
The pay Accounts officer Chennai-35
The Principal Accountant General (Audit) I, Chennai 600018.
The Principal Accountant General (Audit) I, Chennai 600018. (By name)
The Accountant General (A&E), Chennai 600018.
The Accountant General (A&E), Chennai 600018. (By name)
The Accountant General (Audit) II, Chennai 600018.
The Accountant General (Audit) II, Chennai 600018. (By name)
The Works Manager, Government Central Press, Chennai 600079 (for publication of Notification in Tamil Nadu Government Gazette).

Copy to:

The Director, Central Board of Direct Taxes, Ministry of Finance, Government of India, New Delhi 110001.
The Energy (D-2) Department, Chennai 600009. The Finance (PWD-II / BPE) Department, Chennai 600009.
Stock file / Spare copies.

/ Forwarded by order /

SECTION OFFICER



ABSTRACT

Government Guarantee – Tamil Nadu Power Finance and Infrastructure Development Corporation Limited – Raising resources by floating Bonds to the tune of Rs.6000 Crores to fund new projects and for swapping the high cost loans of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) – Sanctioned –Further orders – Issued.

FINANCE (LOANS & ADVANCES CELL) DEPARTMENT

G.O. Ms. No. 60

Date: 7-3-2012.

Masi -24

Thiruvalluvar Aandu -2043.

READ:

1. G.O. Ms.No.115, Energy (D2) Department, dated 25-11-2011.
2. G.O. Ms.No.331 Finance (L & A Cell) Department, dated 3-12-2011.
3. G.O. Ms.No.9, Energy (D2) Department, dated 6-2-2012.
4. G.O. Ms.No.39 Finance (L & A Cell) Department, dated 10-2-2012.
5. G.O. Ms.No.15, Energy (D2) Department, dated 23-2-2012.
6. G.O. Ms.No.19, Energy (D2) Department, dated 2-3-2012.

* * *

ORDER:

In pursuance of the orders in the Government Order first read above, the Government in the order second read above sanctioned guarantee for the repayment of principal together with interest on the funds to be raised by the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited through Placement of Bonds to the tune of Rs.6000 Crores (Rupees Six thousand Crores only).

2. Government in the G.O third read above have issued orders permitting the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) to mobilize additional resources for raising funds through LIC of India/Term loans from other financial institutions /Banks and Companies for a sum of Rs.5,000 crores (Rupees Five thousand crores) out of the Government Guarantee of Rs.6,000 crores issued to Tamil Nadu Power Finance and Infrastructure Development Corporation Limited without any additional budget provision for raising funds for meeting the present financial crisis of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).

3. Government in the order fourth read above sanctioned guarantee for the repayment of principal together with interest for a sum of Rs.5,000 crores (Rupees Five thousand crores only) to mobilize as additional resources for raising funds through LIC of India/Term loans from other financial institutions /Banks and Companies for meeting the present financial crisis of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).

4. In G.O.Ms.No.15, Energy (D2) Department, dated 23.2.2012, an amendment has been issued to the Government Order first read above to the effect that, to grant permission to the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited to mobilize additional resources by floating of Bonds for Rs.1,000 crores (Rupees one thousand crores only) to fund the new projects and for swapping of the high cost loans of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).

5: In G.O.Ms.No.19, Energy (D2) Department, dated 2.3.2012, Government grant permission to the Tamil Nadu Power Finance and Infrastructure Development Corporation Limited to mobilize Bonds through private placement to the extent of Rs.5,000 crores (Rupees five thousand crores only).

6. Consequent on the amendment issued in the G.O. fifth read above, and the orders issued in the G.O sixth read above, the orders issued in G.O.Ms.No.331, Finance , (L&A cell) Department , dated 3.12.2011 remain unchanged.

(BY ORDER OF THE GOVERNOR)

V.ARUN ROY

DEPUTY SECRETARY TO GOVERNMENT.

To

The Principal Secretary to Government, Energy Department, Chennai 600009.

The Chairman & Managing Director, Tamil Nadu Generation and Distribution Corporation Limited, Chennai 600002.

The Chairman & Managing Director, Tamil Nadu Power Finance and Infrastructure Development Corporation Limited, Chennai-35.

The Chief Electrical Inspector to Government, Guindy, Chennai 600032.

The Director-Finance, Tamil Nadu Generation and Distribution Corporation Limited, Chennai 600002.

The Chairman & Managing Director, TNEB Limited Chennai 600002.

The Chief Financial Controller/GL, Tamil Nadu Generation and Distribution Corporation Limited, Chennai 600002.

The Pay Accounts Officer, Chennai-35

The Principal Accountant General (Audit) I, Chennai 600018.

The Principal Accountant General (Audit) I, Chennai 600018. (By name)

The Accountant General (A&E), Chennai 600018.

The Accountant General (A&E), Chennai 600018. (By name)

The Accountant General (Audit) II, Chennai 600018.

The Accountant General (Audit) II, Chennai 600018. (By name)

Copy to:

The Director, Central Board of Direct Taxes, Ministry of Finance, Government of India, New Delhi 110001.

The Energy (D-2) Department, Chennai 600009.

The Finance (PWD-II / BPE) Department, Chennai 600009.

Stock file / Spare copies.

/ Forwarded by order /

S. Srinivasan
7/3/2012
SECTION OFFICER.

SS
7/3/2012



SBICAP Trustee
Company Ltd.

No. 360/STCL/OPR/2013-14

Dated: April 15, 2013

The General Manager
Tamil Nadu Power Finance And Infrastructure
Development Corporation Limited
"Tufidco-Powerfin Tower"
490 / 3-4, Anna Salai,
Nanadanam, Chennai – 600 035.

Dear Sir,


Sub: Powerfin Bonds 1/2013-14 to the tune of Rs. 500/- crores with an option to retain over subscription up to Rs. 500/- crores – Concurrence of Bond Trustee for the 4th Tranche

We refer the subject matter and our consent letter reference no. 0780/STCL/OPR/2012-13/ CL – 353 dated 25th June, 2012.

In this connection we hereby confirm our acceptance as Debenture Trustee for your 4th Tranche of Rs. 500/- crores with an option to retain over subscription up to Rs. 500/- crores on the terms and conditions already accepted vide our above referred consent letter.

Thanking you,

Yours faithfully,


W Vishwas Pathak
M (Sr. Vice President & COO)

BWR/BNG/RL/2013-14/NS/0004



The Managing Director
Tamil Nadu Power Finance & Infrastructure Dvp. Corporation Ltd (TNPFDIC)
TUFIDCO Power Fin Tower
No. 490/3-4 Annasalai
Nandana, Chennai - 600035

Dear Sir,

Sub: Validation of Rating - TNPFDIC's proposed fourth tranche of Powerfin Bonds 1/2013-14 of ₹ 500 crores with a green shoe option of further ₹ 500 crores (aggregate amount ₹ 1000 crores) out of the rated issue amounting to ₹6000 Crores.

Ref: (1) Your letter no. PF/CRA/Bond-1/2013-14 dt. April 12, 2013
(2) Our rating letter BWR/BLR/RA/2012-13/0061 dt. June 08, 2012

We refer to your letter PF/CRA/Bond-1/2013-14 dt April 12, 2013. In this connection we also refer to our letter BWR/BLR/RA/2012-13/0061 dt. June 08, 2012.

We note from your said letter of April 12, 2013 that the proposed fourth tranche of powerfin Bonds issue 1/2013-14 for ₹500 crores with a green shoe option of further amount of ₹500 crores, is a part of the ₹6000 crore issue rated as per your mandate dated May 29, 2012 and assigned a provisional rating of BWR A (SO) vide our said letter of June 08, 2012. Accordingly We advise that your said proposed Bonds issue under 1/2013-14 for ₹500 crore with a green shoe option of further ₹500 crores (aggregate amount ₹1000 crores) carries a **Provisional BWR A(SO) Rating [Pronounced Provisional BWR A (Structured Obligation)] (Outlook: Stable).**

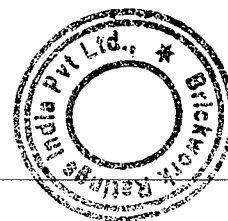
The rating is valid upto June 07, 2013 and all terms and conditions of our letter BWR/BLR/RA/2012-13/0061 dated June 08, 2012 remain unchanged.

We also note that after accounting for the said new issue aggregating ₹ 1000 crores out of the total rated amount of ₹ 6000 crores, the unutilized portion stands reduced to ₹ 4035.80. On completion of the borrowing, please furnish details of security and other aspects related to the borrowing.

Best Regards,

V. Nagaraja

Head - Rating Administration



Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

Brickwork Ratings India Pvt. Ltd.

Corporate Office: 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560 076.

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Press Release

Brickwork Ratings assigns Provisional BWR A(SO)/Stable Rating for Tamil Nadu Power Finance and Infrastructure Development Corporation Ltd.'s proposed Bond Issue of INR 6000 Crores with a tenor of 10 years.

Bond Issue Rating: Provisional BWR A(SO) Outlook : Stable

Brickwork Ratings has assigned Provisional BWR A(SO) [Pronounced Provisional BWR A (Structured Obligation)] rating with 'Stable' outlook to Tamil Nadu Power Finance and Infrastructure Development Corporation Ltd's ("TNPFDCL") proposed Bond Issue of ₹ 6000 Crores (₹ Six Thousand Crores only) with a tenor of 10 years. Instruments with this rating are considered to have **adequate degree of safety** regarding timely servicing of financial obligations. Such instruments carry **low credit risk**.

The rating has factored, inter alia, the unconditional and irrevocable guarantee of Government of Tamil Nadu (GoTN) for timely payment of principal and interest on the proposed issue, structured payment mechanism for servicing the proposed issue, financial position of TNPFDCL and the state's fiscal position.

The rating is provisional and will be affirmed on execution of guarantee documents for unconditional and irrevocable guarantee from GoTN for timely repayment of principal and interest, trustee agreement, creation of an escrow mechanism with a SEBI registered Trustee to meet the bond obligations and other details in accordance with the structure of the proposed Bond issue.

Issue Details

Issuer	Instruments	Amount Rated ₹ Crore	Rating	Assigned/ Reaffirmed	Initial Rating Assigned on
TNPFDCL	Bond Issue	6000	Provisional BWR A (SO) (Stable)	Assigned	June 2012

Tamil Nadu Power Finance and Infrastructure Development Corporation Limited was established in 1991 and is wholly owned by the Government of Tamil Nadu. It is a Non-Banking Finance Company registered with RBI. The company fulfills the objective of mobilizing funds through normal commercial channels to provide financial assistance for the development of



power and infrastructure projects within the state of Tamil Nadu particularly to the state power utilities viz. TANGEDCO and TANTRANSO. TNPFDCL raises resources mainly through mobilization of fixed deposits. Its lending profile consists of hire purchase and term loans for long-tenure projects of power sector.

TNPFDCL registered an increase in total operating income to ₹ crore in FY11 from ₹ 517 crore in FY10 while Profit after tax (PAT) for FY11 was ₹ 64 crore as compared to ₹ 41 crore in FY10. As per the provisional results of FY 12, the company's total operating income stood at ₹ 715 crore and a PAT of ₹ 55 crore.

Analysts	Media
Anusha Subramaniam anusha.s@brickworkratings.com	Anitha G media@brickworkratings.com
Milind Diwakar milind.d@brickworkratings.com	Relationship Contact
	R Ravichandran Head- Business Development ravichandran.r@brickworkratings.com
Phone: 1-860-425-2742	

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.



CONFIDENTIAL

Ref. No.Reval/Chen/09/13-14

April 17, 2013

Ms. S. Sujatha
General Manager
Tamil Nadu Power Finance and Infrastructure Development Corporation Limited
(A Government Of Tamil Nadu Enterprise)
Tufidco – Powerfin Tower
490/3-4, Anna salai
Nandanam
Chennai – 600 035

Dear Madam,

Re: ICRA Conditional Credit Rating for the Rs.5746.10 crore Bond Programme of Tamil Nadu Power Finance and Infrastructure Development Corporation Limited.

Please refer to your letter dated April 12, 2013 requesting for confirming the validity of the rating letter issued for the captioned instrument.

We confirm that the **Conditional [ICRA]A-(SO)**(pronounced ICRA A Minus Structured Obligation) rating assigned to your captioned Bond Programme and last communicated to you vide our letter No. RTG/Chen/55/12-13 dated June 6, 2012, stands as on the date of this letter. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The letters SO in parenthesis suffixed to the rating symbol stand for structured Obligation. An SO rating is specific to the rated issue, its terms, and its structure. SO ratings do not represent ICRA's opinion on the general credit quality of the issuers concerned. All other terms and conditions are as per our earlier letter No. RTG/Chen/55/12-13 dated June 6, 2012.

We thank you for your kind co-operation extended to us during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours sincerely,
for ICRA Limited

(K. Ravichandran)
Senior Vice President & Co-Head, Corporate Ratings

(P. Avinash)
Assistant Vice President



Tamil Nadu Power Finance and Infrastructure Development Corporation Limited

Instrument	Amount	Rating Action
Bonds	Rs. 6000 crore	[ICRA]A-(SO) assigned

ICRA has assigned a conditional [ICRA] A-(SO) rating [pronounced as ICRA A minus Structured Obligation] to the Rs. 6,000 crore Bond Programme of Tamil Nadu Power Finance and Infrastructure Development Corporation Limited (TNPFDCL or the Corporation).

The ratings are conditional on the implementation of a structured payment mechanism incorporating an unconditional and irrevocable guarantee from the Government of Tamil Nadu (GoTN). The ratings primarily reflect the credit strength of GoTN and the integrity of the structured payment mechanism as stipulated by ICRA.

The Revised Estimates (RE) published by the State Government forecast an improvement in GoTN's fiscal balances in 2011-12, despite the extension of various subsidies and schemes following the Legislative elections held in 2011 as well as the provision of considerable equity and loans to the unbundled power utilities. Although substantial guarantees extended by GoTN to support the power sector's fund-raising plans may exert some pressure on the State Government's leverage levels in the near-to-medium term, ICRA nevertheless expects the same to remain relatively favourable as compared to peer States¹.

GoTN Performance:

Tamil Nadu (TN) has traditionally held a relatively stronger position amongst the States in India, with superior socio-economic infrastructure, a favorable fiscal performance and relatively lower leverage levels (including both debt and guarantees). A higher level of revenue receipts as a proportion of the State's gross state domestic product (GSDP) relative to peer States aided GoTN in achieving the targets set by the Tamil Nadu Fiscal Responsibility Act, 2003 (TNFRA), considerably ahead of the schedule. After weakening to an extent in the period 2008-11, the State's fiscal balances have displayed some improvement in 2011-12, according to the Revised Estimates (RE) published by the State Government.

A rise in revenue expenditure arising from various factors including the implementation of the Sixth Central Pay Commission's recommendations; increase in dearness allowance; substantial expenditure toward flood relief in certain years; and rising food subsidy levels, resulted in a pressure on the State Government's fiscal balances from 2008 onwards. In spite of a revival in the growth of State's own tax revenues (SOTR) in 2010-11, GoTN's revenue balance continued to reflect a deficit, while the financing gap worsened to 3% of GSDP in 2010-11 from 2.5% of GSDP in 2009-10. However, debt and guarantees as a proportion of revenue receipts improved to 1.55 times in 2010-11 from 1.72 times in 2009-10.

The RE for 2011-12 forecast a considerable 17% increase in revenue expenditure following the expansion of existing and introduction of new subsidies and schemes subsequent to the Assembly elections held in 2011. In contrast, revenue receipts are estimated to have expanded by a higher rate of 22% in 2011-12, reflecting various additional resource mobilization (ARM) measures introduced by GoTN in 2011. For instance, measures such as a revision in the rates of sales tax and excise duty boosted GoTN's SOTR collections by an estimated 25% in 2011-12; collections of sales tax and excise

^{*} 100 lakh = 1 crore = 10 million

[†] For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications.

[‡] ICRA has rated a number of State entities in States including Andhra Pradesh, Karnataka, Maharashtra, Gujarat and Punjab.



	Rs. Crore	402,082	473,519	547,267	635,044
GSDP (Nominal) ^{†††}					
Debt + Guarantees / Revenue Receipts	Times	1.48	1.72	1.55	
Revenue Balance / Financing Gap	%	-13.5%	31.4%	16.4%	-1.9%
Financing Gap / GSDP	%	-2.2%	-2.5%	-3.0%	-2.6%

TNPFIDCL Financial Snapshot:

	Mar-20	Mar-21	Mar-22
Equity Capital	50	50	50
Net Hire Purchase/ Loan/ Lease Assets	5,396	5,884	7,847
Total Income	511	594	681
Profit Before Tax (PBT)	55	87	74
Yield on Average Earning Assets (%)	10.4%	10.3%	9.6%
Gross Interest Spread (%)	0.7%	1.1%	0.6%
Operating Expenses / Average Assets	0.1%	0.0%	0.0%
Cost to Income Ratio (%)	4.3%	3.1%	2.4%
PAT / Average Assets (%)	0.8%	1.1%	0.8%
Total Debt / Net worth	15.26	14.35	17.49
Net NPA/Net Advances	0.0%	0.0%	0.0%

Note: Amounts in Rs. crore

^{†††} As estimated by the CSO



The corporation's capitalization is weak with a gearing of 17.5 times as at end of March 2012, although its strategic importance to TANGEDCO could ensure financial support from GOTN. Although the corporation enjoys good franchise in mobilizing public deposits and institutional deposits, current financial flexibility is moderate as its funding sources are restricted to a single source.

Company Profile:

Incorporated in 1991 as a deposit accepting NBFC, TNPFIDCL mobilizes funds through public and institutional deposits for funding power and infrastructure projects in the state of Tamil Nadu. The institution currently provides assistance in the form of hire purchase (18% of portfolio) and term loans (82%) to TANGEDCO. TNPFIDCL's funding profile comprises mainly of retail deposits from public and state government institutions. TNPFIDCL is wholly owned by the Government of Tamil Nadu.

The business volumes of TNPFIDCL have registered a 4-year CAGR of 32% since FY 2008, while its portfolio registered a CAGR of 25% over the same period. The company has managed to recover all installments from TNEB / TANGEDCO on time and there are no delays so far.

During fiscal 2012, TNPFIDCL reported a net profit of Rs. 55.43 crore on a total income of Rs. 712 crore compared to Rs. 64 crore net profit on a total income of Rs. 596 crore in fiscal 2011.

June 2012

Tamil Nadu State Finances:

		2008-09	2009-10	2010-11	2011-12	2012-13
	Units	Actual	Actual	Actual	RE	BE
Revenue Receipts	Rs. Crore	33,420	36,724	47,832	59,932	71,461
State's Own Tax Revenue	Rs. Crore					
State's Own Non-Tax Revenue	Rs. Crore	1,260	1,138	1,138		
Other Revenues	Rs. Crore	15,646	14,270	17,754	20,078	23,097
Revenue Expenditure**	Rs. Crore	58,201	57,329	57,329	64,457	67,724
Interest	Rs. Crore	5,963	6,667	7,940	8,721	0,383
Primary Revenue Balance	Rs. Crore	7,152	2,873	5,211	9,046	12,759
Revenue Balance	Rs. Crore	1,183	1,759	2,729	326	2,876
Capital Expenditure	Rs. Crore	9,104	8,573	12,436	16,388	20,856
Net Borrowing	Rs. Crore	896	600	1,667	17,062	18,982
Financing Gap	Rs. Crore	(8,811)	(12,071)	(16,647)	(16,808)	(19,832)
Debt**	Rs. Crore	74,857	88,882	101,349	115,349	135,060
Guarantees	Rs. Crore		5,968			

** Adjusted for double entries of interest from departmental commercial undertakings; debt waiver on account of Central Loans written off under Debt Consolidation and Relief Facility of the TwFC in 2008-09, 2009-10 and 2010-11; as well as the debt waiver on account of Central loans to be written off as per the recommendations of the TwFC in 2011-12.

** Adjusted for double entries of interest from departmental commercial undertakings

** Gap funded through Internal Debt, Loans from the Government of India (GoI), Small Savings & Provident Fund

** Internal Debt, Loans from GoI, Small Savings & Provident Fund

** Guarantees as on March 31, 2012 and 2013 (estimates) are not available



duty are estimated to have accounted for nearly 80% of GoTN's SOTR collections in that year. Accordingly, the RE for 2011-12 forecast an improvement in GoTN's fiscal balances, with a small revenue surplus and a decline in the financing gap to 2.6% of GSDP from 3% of GSDP in 2010-11. This is in line with the fiscal roadmap for GoTN suggested by the Thirteenth Finance Commission (ThFC), which entails a balanced revenue account and curtailment of the financing gap to 3% of GSDP from 2011-12 onwards.

GoTN's Budget Estimates (BE) for 2012-13 forecast a significant improvement in the State Government's revenue surplus to Rs. 2,376 crore from Rs. 325 crore in 2011-12 RE. The anticipated improvement would largely be led by the additional ARM measures introduced by GoTN, such as a revision in property guideline values from April 1, 2012, which are collectively estimated to enhance GoTN's SOTR collections by Rs. 1,500 crore in the ongoing fiscal year. ICRA however believes that the overall pace of growth of SOTR collections and Central tax devolution is expected to mirror the economic scenario going forward. ICRA notes that the growth of revenue expenditure is forecast to remain substantial at 16% in 2012-13, in spite of savings on account of the complete discharge of the arrears related to the Sixth Central Pay Commission's recommendations in 2011-12.

Following the revision of power tariffs with effect from April 2012, and GoTN's decision to partially absorb the tariff hike for some consumer categories, the power subsidy outlay is expected to rise sharply in 2012-13. In an order dated May 2, 2012, the Tamil Nadu Electricity Regulatory Commission (TNERC) has placed the power subsidy payable by GoTN for 2012-13 at Rs. 4,025 crore, twice as large as the RE for 2011-12 of around Rs. 2,000 crore. A further reduction in cross-subsidization going forward would enlarge the power subsidy payable by the Government, in the absence of withdrawal of free/subsidized power to certain consumer categories.

ICRA notes that GoTN undertook various measures in 2011-12 to bolster the financial health of the unbundled power utilities, including equity infusion and provision of loans, as well as an extension of substantial guarantees to support the power sector's fund-raising plans.

GoTN's leverage levels measured in terms of debt and guarantees as a proportion of revenue receipts stood at 1.55 times in 2010-11, which was favourable as compared to a number of peer States. While the guarantees extended by GoTN to its power sector entities may exert some pressure on the State Government's leverage levels in the near-to-medium term, ICRA nevertheless expects the same to remain relatively healthy as compared to peer States.

ICRA expects the administration and the State Government to demonstrate commitment to the process of fiscal consolidation and adhere to the revised fiscal roadmap for the States as suggested by the ThFC. ICRA would evaluate the impact of various factors on the health of GoTN's revenues, such factors including the implementation of the Goods and Services Tax and the impact of the recent slowdown in economic growth on the pace of growth of own tax revenues and Central tax devolution. Overall, a restraint in the growth of revenue expenditure would remain critical to ensure sustainable fiscal consolidation and adherence to the norm of a balanced revenue account.

TNPFIDCL Performance:

TNPFIDCL was incorporated with the main purpose of funding TNEB / TANGEDCO's fund requirements through mobilizing public deposits. The corporation has registered a strong growth in business volumes and deposit mobilization registering a 5-year CAGR of 32% and 31%, respectively. The Corporation has extended total assistance of Rs. 4,313 crore in fiscal 2012 to TANGEDCO⁵ as against Rs. 2,212 crore in fiscal 2011 and there are no overdue repayments till date. However, the corporation is exposed to significant concentration risk given that it lends to a single borrower.

The corporation historically has earned an interest spread of ~ 1% over its cost of funds. Given the modest spreads, the corporation has registered moderate profitability and return on networth of 0.76% and 13.2%, respectively in fiscal 2012. The operating costs of the corporation are low at 0.04%.

⁵ TNPFIDCL was lending to TNEB prior to its trifurcation



CAMEO CORPORATE SERVICES LIMITED

Ref: CAM: DIR: TNPFL: 2013
April 17, 2013

**Tamil Nadu Power Finance And Infrastructure
Development Corporation Limited
"Tufidco-Powerfin Tower"
490/3-4, Anna Salai
Nandanam
Chennai – 600 035**

Dear Sirs,

**Sub: Consent to act as "Registrar to the Issue" for the Proposed
TN Power Finance – PowerFin Bonds 1/2013-14 to the tune of
Rs.500 Crores with an option to retain oversubscription upto
Rs.500 Crores**

We hereby testify and give our consent to act as Registrar to the proposed TN Power Finance – PowerFin Bonds 1/2013-14 to the tune of Rs.500 Crores with an option to retain oversubscription upto Rs.500 Crores of **Tamil Nadu Power Finance And Infrastructure Development Corporation Limited** and to our name being inserted as **"Registrar to the Issue"** in the Offer Document which the Company intends to issue in respect of the proposed Bonds issue.

Thanking you,

For CAMEO CORPORATE SERVICES LIMITED


**R.D. RAMASAMY
DIRECTOR**