

NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of Power Finance Corporation Ltd. will be held on **Thursday, the September 24, 2015 at 10:00 AM** at Weightlifting Auditorium, Jawaharlal Nehru Stadium, Lodhi Road, New Delhi-110003 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements including consolidated financial statements of the Company for the financial year ended March 31, 2015, the Reports of the Board of Directors and Auditors thereon.
2. To confirm interim dividend and declare final dividend for the Financial Year 2014-15.
3. To appoint a Director in place of Shri B. N. Sharma (DIN:01221452), who retires by rotation and being eligible, offers himself for re-appointment.
4. To fix the remuneration of the Statutory Auditors.

SPECIAL BUSINESS

5. To raise funds upto ₹60,000 crore through issue of Bonds/Debentures/notes/debt securities on Private Placement basis in India and/or outside India and in this regard to consider and if thought fit, to pass, with or without modification(s), following resolutions as **Special Resolutions:**

"RESOLVED THAT pursuant to provisions of section 42 of Companies Act 2013, read with rule 14(2) of Companies (Prospectus and Allotment of Securities), Rule 2014 approval is hereby accorded for raising of funds by way of private placement of secured /unsecured, redeemable, non-convertible, taxable /tax free, senior / subordinated bonds / debentures /notes/ debt securities in India and / or outside India to the extent of ₹60,000 crore during the period of one year from the date of current AGM."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee duly constituted by the Board of Directors) be and is hereby authorized, to make offer(s) or invitation(s) to subscribe to private placement of secured /unsecured, redeemable, non-convertible, taxable /tax free, senior / subordinated bonds / debentures /debt securities ("Bonds") in India and / or outside India to the extent of ₹60,000 crore during the period of one year from the date of current AGM and to do all such acts, deeds and things as may be deemed necessary in respect of issue of bonds including but not limited to the face value, issue price, issue size, timing, amount, security, coupon / interest rate, yield, listing, allotment and other terms and conditions of issue bonds as they may, in their absolute discretion deem necessary."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolutions."

By order of the Board of Directors



Manohar Balwani
Company Secretary

Registered office:

Urjanidhi, 1, Barakhamba Lane,
Connaught Place,
New Delhi- 110001
CIN: L65910DL1986GOI024862
Date: August 21, 2015

NOTES:-

1. **A Member entitled to attend and vote at the Annual General Meeting ("Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a Member of the Company. The instrument appointing a proxy duly completed, stamped and signed should, however, be deposited at the registered office of the Company, not less than forty-eight hours before the commencement of the Meeting. Blank proxy form is enclosed. Proxy so appointed shall not have any right to speak at the meeting.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting.
4. Every member entitled to vote at a meeting of the company or on any resolution to be moved there at, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.

5. In compliance with provisions of Clause 35B of the Listing Agreement as well as Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E- voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The user-id & password is mentioned at the bottom of the Attendance Slip/ email forwarded through the electronic notice. Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

Further, the facility for voting through electronic voting system/ ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by Remote E-voting shall be able to exercise their right at the meeting.

The Company has appointed Ms. Archana Bansal, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the remote e-voting process and electronic voting system/ ballot or polling paper voting process at the meeting in a fair and transparent manner.

Procedure and Instructions for remote e-voting

- I. Launch an internet browser and open <https://evoting.karvy.com>.
- II. Initial Password is provided, as follows, at the bottom of the Attendance Slip/E-mail.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
	<p>For Members holding shares in Demat Form:-</p> <p>Event no. followed by:</p> <p>For NSDL :- 8 Character DP ID followed by 8 Digits Client ID</p> <p>For CDSL :- 16 digits beneficiary ID</p> <p>For Members holding shares in Physical Form:-</p> <p>Event no. followed by Folio Number registered with the Company</p>	<p>Your Unique password is printed on the Attendance Slip/ via email forwarded through the electronic notice.</p>

(a) In case of Members receiving an e-mail from Karvy [applicable to members whose email IDs are registered with the Company / Depository Participant(s)]:

- (i) Enter the login credentials (i.e. User ID and password). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

- (ii) After entering the above details Click on - Login.
- (iii) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
- (iv) On successful login, the system will prompt you to select the E-Voting Event.
- (v) Select the EVENT of Power Finance Corporation Limited and click on - Submit.
- (vi) Now you are ready for e-voting as 'Cast Vote' page opens.
- (vii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- (viii) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (ix) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (x) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at s.pfcltd@gmail.com they may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

(b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip (applicable to members whose email IDs are not registered with the Company / Depository Participant(s) or are requesting physical copy)

- (i) Enter the login credential (please refer to the USER ID and initial password mentioned in the attendance slip of the AGM).
 - (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (x) above, to cast vote.
- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.

- III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
- IV. The voting rights shall be as per the number of equity share held by the Member(s) as on cut-off date i.e September 17, 2015. Members are eligible to cast vote only if they are holding shares as on that date.
- V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at 10.00 a.m. on September 20, 2015 and will end at 5.00 p.m. on September 23, 2015. The e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.
- VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- VII. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- VIII. Members who have not voted through remote e-voting can cast their vote at the venue.
- IX. Members who have acquired shares after the dispatch of the Annual Report and before the cut-off date may obtain the User ID and Password for exercising their right to vote by electronic means as follows:
- If the e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID:
The member may send SMS : MYEPWD <space> Event number+Folio No. or DP ID Client ID to **9212993399**
Example for NSDL : MYEPWD <SPACE> IN12345612345678
Example for CDSL : MYEPWD <SPACE> 1402345612345678
Example for Physical : MYEPWD <SPACE> XXX1234567
- OR
- The member may go to the home page of <https://evoting.karvy.com>, and click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- Member may call Karvy's toll free number 1-800-3454-001
 - Member may send an e-mail request to evoting@karvy.com
- X. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
- XI. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.pfcindia.com) and on Karvy's website (<https://evoting.karvy.com>) and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.
- XII. Kindly note that a person who is not a member of the Company as on the Cut-off date should treat this Notice for Information Purposes Only.
- XIII. In case of any query, members are requested to contact, Ms. Rajitha Cholleti, Karvy Computershare Pvt. Ltd., Phone No. 91 040 67162222.
- A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
 - As required by clause 49 of Listing Agreement, a brief profile of Shri B. N. Sharma, Director retiring by rotation and seeking re-appointment under item no. 3 of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.
8. Members are requested to:-
- note that copies of Annual Report will not be distributed at the Annual General Meeting.
 - deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Auditorium will be strictly on the basis of the Entry Slip available at the counters at the venue to be exchanged with the Attendance Slip.
 - quote their Folio/Client ID & DP ID Nos. in all correspondence.
 - note that due to strict security reasons brief cases, eatables and other belongings are not allowed inside the auditorium.
 - note that no gifts/coupons will be distributed at the Annual General Meeting.
 - note that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Board of Directors in its meeting held on February 27, 2015 had declared an interim dividend @ 85% (₹8.50 per share) on the paid-up equity share capital of the company, which was paid on March 13, 2015. Members who have not

received or not encashed their dividend warrants may approach Karvy Computershare Private Limited, Registrar & Share Transfer Agent of the Company, for revalidating the warrants or for obtaining duplicate warrants.

10. The Register of Members and Share Transfer Books of the Company will remain closed from September 18, 2015 to September 24, 2015 (both days inclusive). The final dividend on equity shares as recommended by the Board of Directors, subject to the provisions of the Companies Act, if approved by the members at the Annual General Meeting, will be paid on or after October 8, 2015 to the Members or their mandates whose names appear on the Company's Register of Members on September 24, 2015 in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of business hours on September 17, 2015.
11. Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. Therefore, Members are advised to encash their Dividend warrants immediately on receipt. The details of investors' (whose payment is due) are available on MCA website (Form 5 INV) as well as company's website so as to enable the investors to claim the same.
12. The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to the members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their email id, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold the shares in physical form are requested to get their e-mail id registered with Karvy Computershare Private Limited, Registrar & Share Transfer Agent (RTA) of the Company.
13. Members are advised to submit their Electronic Clearing System (ECS) mandates, to enable the Company to make remittance by means of ECS. Those holding shares in physical form may obtain and send the ECS Mandate Form to Karvy Computershare Private Limited, Registrar & Share Transfer Agent (RTA) of the Company. Those holding shares in Electronic Form may obtain and send the ECS Mandate Form directly to their Depository Participant (DP). Those who have already furnished the ECS Mandate Form to the Company/ RTA/DP with complete details need not send it again.
14. The shareholders holding shares in physical form and do not wish to opt for ECS facility may please mail their bankers' name, branch address and account number to Karvy Computershare Private Limited, Registrar & Share Transfer Agent of the Company to enable them to print these details on the dividend warrants.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. It has also made mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTAs for registration of transfers and for securities market transactions and off-market/ private transactions involving transfer of shares of listed companies in physical form. Accordingly, members holding shares in physical form can submit their PAN to the Company / Karvy.
16. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or our Registrar & Share Transfer Agent alongwith relevant Share Certificates.
17. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter and/or change in address and bank account, to Company's Registrar & Share Transfer Agent.
18. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. Further, the Statutory Auditors of the Company for the FY 2015-16 have been appointed by C&AG of India, the members may authorize the Board of Directors to fix an appropriate remuneration of Auditors for the FY 2015-16 as may be deemed fit by the Board.

19. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to Karvy Computershare Private Limited, Registrar & Share Transfer Agent of the Company, in the prescribed form. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
20. Member who holds shares in physical form are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent of the Company and to their respective depository participants, in case shares are held in electronic mode.
21. Members desirous of getting any information on financial statements and any other business of this Meeting are requested to address their queries to Company Secretary of the Company at the registered office of the Company at least fifteen days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
22. All relevant documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.
23. The entire Annual Report is also available on the Company's website www.pfcindia.com.
24. The Route Map to Weightlifting Auditorium, Jawaharlal Nehru Stadium is enclosed herewith.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE.

The following statement sets out the material facts relating to the special business mentioned in item No.5 of the accompanying Notice:

Item No. 5

The Company is a notified public financial institution under Section 2(72) of the Companies Act, 2013 and a systemically important non-deposit taking Non Banking Financial Company classified as an Infrastructure Finance Company by the Reserve Bank of India. The Company is engaged in providing financial assistance to Power Utilities for meeting financing and development requirements of the power sector. To meet its fund requirement, PFC has been raising the funds by way of issuance of bonds, term loans from Banks/FIs and ECBs etc.

The main constituents of the Company's borrowings are generally in the form of Public / Private Placement of Long / Short Term Taxable bond / Tax free bond / Infrastructure Bonds / Zero Coupon Bonds/ Subordinated bond / other bonds, ECB by way of Syndicated Loan / Line of Credit, Long-term, Medium term and Short term loans (including commercial paper).

The provisions of section 42 of The Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 mandate the Company to seek approval of shareholders by means of a Special Resolution for raising funds through private placement of non-convertible debentures.

In terms of above applicable provisions, the shareholders had accorded approval in last AGM held on September 26, 2014 for raising of funds through non-convertible debentures to the extent of ₹55,000 crore during the period of one year from the date of AGM (i.e. September 26, 2014 to September 25, 2015).

The Board of Directors in their Meeting held on July 20, 2015 has subject to the approval of shareholders, accorded approval for raising of funds by way of private placement of bonds/debentures/notes/debt securities in India and/or outside India to the extent of ₹60,000 crore during the period of one year from the date of current AGM.

The Board of Director has also sought approval from the shareholders that the Board (including any committee duly constituted by the Board of Directors) be authorized, to make offer(s) or invitation(s) to subscribe to private placement of secured /unsecured, redeemable, non-convertible, taxable /tax free, senior / subordinated bonds / debentures /debt securities ("Bonds") in India and / or outside India to the extent of ₹60,000 during the period of one year from the date of current AGM and to do all such acts, deeds and things as may be deemed necessary in respect of issue of bonds including but not limited to the face value, issue price, issue size, timing, amount, security, coupon / interest rate, yield, listing, allotment and other terms and conditions of issue bonds as they may, in their absolute discretion deem necessary.

The Board further recommends the Resolution for your approval as Special Resolution.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Special Resolution, except to the extent of their shareholding in the Company.

This resolution does not relate to or affects any other company.

All relevant documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT 29th AGM UNDER ITEM NO. 3

Name	Shri B. N. Sharma
Date of Birth and Age	31.07.1959/56years
Qualification	Bachelor's degree and a Master's degree in financial management, an IAS officer of the Rajasthan cadre
Date of Appointment	28.08.2012
Terms and Conditions of Appointment	Appointed as Government Nominee Director by President of India through Ministry of Power.
Remuneration	NIL
Expertise in Functional Areas	He is an IAS officer of the Rajasthan cadre and has experience in the civil services for about 30 years. Prior to joining MoP, he has served as the Principal Secretary in medical, health and family welfare department in Rajasthan. Shri Sharma has also served as the Commissioner of the commercial taxes department at Rajasthan, Managing Director of Rajasthan State Industrial and Investment Corporation Limited, Chairman and Managing Director of Rajasthan Financial Corporation and as the Secretary of the finance department and elementary, secondary and Sanskrit education department in Rajasthan. Prior to that he has worked as collector and district magistrate of Jaipur, Alwar and Tonk districts in Rajasthan, as Chairman and Managing Director of Jaipur Vidhyut Vitran Nigam Limited, Jaipur, and as Secretary, Rajasthan State Electricity Board, Jaipur. Shri Sharma has also served as a Director on the boards of various companies including Rajasthan Drugs and Pharmaceuticals Limited, Rajasthan Medical Services Corporation Limited, Rajasthan Small Industries Corporation Limited, Rajasthan Asset Management Company Private Limited, Rajasthan Trustee Company Private Limited and Rajasthan Electronics and Instruments Limited.
Number of Meetings of the Board held during the year and number of Board Meetings attended	13/11
Relationship with any other Director, Manager and other KMP of the Company	NotApplicable
Number of shares held in the company	Nil
Directorship in other companies	Rural Electrification Corporation Limited
Chairman/Membership of committees* across all public companies	Rural Electrification Corporation Limited - Member, Audit Committee

* Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Shareholders' Grievance Committee