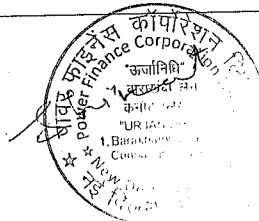


**SUMMARY TERM SHEET**

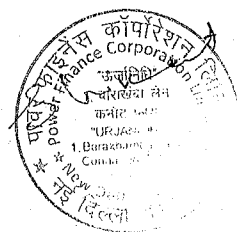
Issue Description	Private placement of Unsecured, Redeemable, Non-convertible, Non-cumulative, Taxable bonds in the nature of debentures of face value of Rs. 10 lacs at par aggregating to Total Issue size of Rs. 1400 crore with a Base Issue size of Rs. 360 crore and a Green Shoe Option of Rs. 1040 crore (Reserved for BHARAT Bond ETF by Power Finance Corporation Limited).
Security Name	PFC - Bond Series 194
Issuer	Power Finance Corporation Limited
Type of Instrument	PFC Unsecured, Redeemable, Non-Convertible, Non-cumulative, Taxable Bonds in the nature of Debentures Series 194
Nature of Instrument	Unsecured
Seniority	Senior
Mode of Issue	Private placement basis
Eligible investors	As per applicable RBI Regulations for Government NBFC-ND
Listing (including name of stock exchange where it will be listed & timeline for listing)	On the Debt Market segment of NSE and / or wholesale Debt Market segment of BSE Further, in case of investment by FII investor, it shall be ensured by the company that the bonds are listed within 15 days of allotment. In case bonds are not listed within 15 days, company shall refund the allotment money to investor
Rating	'AAA/Stable' by CRISIL, 'AAA /Stable' by ICRA & 'AAA/Stable' by CARE
Issue size	Issue size of Rs. 1400 crore with a base issue size of Rs. 360 crore and a green shoe option of Rs. 1040 crore (Reserved for BHARAT Bond ETF by Power Finance Corporation Limited).
Option to retain over subscription (Amount)	Rs. 1040 crore (Green shoe option is reserved for BHARAT Bond ETF by Power Finance Corporation Limited).
Object of the Issue	To augment resources of PFC for meeting fund requirement
Details of utilization of the proceeds	The funds raised through private placement are not meant for any specific project as such and therefore the proceeds of this issue after meeting all expenses of the Issue shall be used for meeting objects of the Issue.
Tenor	3 years 3 months & 7 days
Coupon Rate	7.04% p.a.



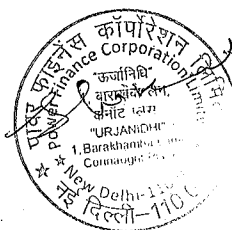
Step up/step down coupon rate	Not applicable
Coupon Payment frequency	Annually every year and on maturity
Coupon payment dates:- First interest date	07 <sup>th</sup> Jan 2021
Subsequent interest payment date	Thereafter annually every year and on maturity
Coupon type	Fixed
Coupon Reset process (including rates, spread, effective date, interest rate cap & floor etc.)	Not applicable
Day count basis	Actual/Actual Interest shall be computed on an "actual/actual basis". In case of leap year, if 29 Feb falls during the tenor of security, then the number of days shall be reckoned as 366 days for a whole one year period in accordance with SEBI circular No CIR/IMD/DF-1/122/2016 dtd. November 11, 2016.
Interest on Application money	7.04% p.a.  The interest on application money shall be paid from the date of receipt of application money in PFC's account till one day prior to the date of allotment on the aggregate face value amount of Bonds. No interest on application money would be paid if the date of receipt of application money and allotment is same.
Interest on Refunded Money against which Allotment is not made	No interest on Application Money will be paid in respect of applications which are invalid and / or rejected by PFC due to any reason.
Date of Redemption	14 <sup>th</sup> April 2023
Redemption amount	At par
Redemption Premium/Discount	Not applicable
Issue Price	At par
Discount at which security is issued & the effective yield as a result of such discount	Not applicable
Put Option Date	Not applicable



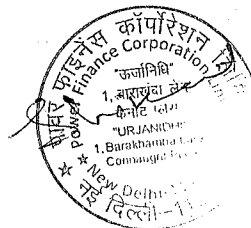
Put Option Price	Not applicable
Call Option Date	Not applicable
Call Option Price	Not applicable
Put Notification Time	Not applicable
Call Notification Time	Not applicable
Face Value	Rs. 10,00,000 (Rupees Ten lacs only) per bond
Minimum application size	10 bonds (Rs. 1 crore) and then in multiple of 1 bond (Rs. 10 lakh)
Type of Bidding	Closed Bidding
Manner of Allotment	Uniform Yield
Pricing Mechanism	The price for base issue of Rs.360 crore shall be discovered in a transparent manner on the EBP Platform. After discovery of price for base issue the same price will be applicable to the green shoe option which is reserved for BHARAT Bond ETF. Further, there is no restriction on BHARAT Bond ETF to participate in bidding for base issue size on EBP Platform. All other provisions as per SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/05 dated January 05, 2018 and SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 shall be applicable.
Issue Opening date	03.01.2020
Issue closing date	03.01.2020
Pay-in-date	07.01.2020
Deemed Date of allotment	07.01.2020
Issuance & trading mode of instrument	In demat Only
Settlement mode of the instrument	Through NSE Clearing Ltd.
Mode of Subscription	Applicants may make remittance of application money through electronic mode only by 10.30 a.m. in line with SEBI circular dtd. 05.01.2018 on 'Electronic book mechanism for issuance of securities on private placement basis'.



Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")
Business Days/Working Days	"Business Days"/ "Working Days" shall be all days on which money market is functioning in Mumbai. However, for the purpose of credit of Demat A/c, Working Days shall be all days on which NSDL/CDSL are open for business.
Effect of holidays	<p>If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the following working day in line with SEBI circular No CIR/IMD/DF-1/122/2016 dtd November 11, 2016.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</p> <p>In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.</p>
Record Date	15 calendar days prior to actual interest/principal payment date.
Security	The bonds issued are unsecured in nature.
Reissuance and consolidation	Our company shall have right to reissue or consolidate the bonds under present series in accordance with applicable law.
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> <li>1. Letter appointing Trustees to the Bondholders;</li> <li>2. Debenture Trusteeship Agreement;</li> <li>3. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form;</li> <li>4. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;</li> <li>5. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar;</li> <li>6. Application made to NSE and / or BSE for seeking its in-principle approval for listing of Bonds;</li> <li>7. Listing Agreement with NSE and /or BSE;</li> <li>8. Letters appointing Arrangers to the Issue.</li> </ol>
Conditions precedent to subscription of Bonds	<p>The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> <li>1. Rating letters from CRISIL, ICRA and CARE not being more than one month old from the issue opening date;</li> <li>2. Seek a written consent letter from the Trustees conveying their</li> </ol>



	<p>consent to act as Trustees for the Bondholders;          Making an application to NSE and BSE for seeking its in-principle approval for listing of Bonds.</p>
Conditions subsequent to subscription of Bonds	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Offer Letter:-</p> <ol style="list-style-type: none"> <li>1. Maintaining a complete record of private placement offers in Form PAS-5 and filing such record along with Private Placement Offer Letter in Form PAS-4 with the Registrar of Companies and with Securities and Exchange Board of India ("SEBI") within a period of thirty days of circulation of the Private Placement Offer Letter;</li> <li>2. Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS-3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, within thirty days of the Deemed Date of Allotment;</li> <li>3. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within two working days from the Deemed Date of Allotment;</li> <li>4. Making listing application to NSE/ BSE within 15 days from the Deemed Date of Allotment of Bonds.</li> <li>5. Execution of trust deed within 3 months of the closure of the issue or offer and sending the same to NSE and BSE within five working days of execution for uploading on their website.</li> </ol> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Offer Letter.</p>
Events of Default	<p>Default in payment of interest / principal redemption / delay in listing / delay in execution of trust deed or as may be detailed in respective trust deed / trustee agreement.</p> <p>In case of event of default, penal interest will be paid in accordance with provisions of SEBI (Issue &amp; Listing of Debt Securities) Regulations 2008, as amended.</p>
Additional Covenants	<p>Default in payment: In case of default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest at the rate mentioned in relevant regulation.</p> <p>Listing: In case of delay in listing of the Bonds, the Company shall pay penal interest at the rate mentioned in relevant regulation.</p> <p>In case of delay in execution of the Bond Trust Deed within the prescribed period from the deemed date of allotment, the Issuer shall pay penal interest at the rate as mentioned in the relevant regulations, till the execution of the Bond Trust Deed.</p>
Provisions related to cross default clause	Not applicable
Registrar & Transfer Agent	RCMC Share Registry Pvt Ltd.



Trustees	<b>BEACON TRUSTEESHIP LTD.</b> 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai, Maharashtra 400051
Role and Responsibilities of Debenture Trustees	<p>The trustees will be responsible for all action as per SEBI regulation and Companies Act 2013.</p> <p>The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Companies Act, 2013, SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, Debenture Trusteeship Agreement, Private Placement Offer Letter and all other related transaction documents, with due care, diligence and loyalty.</p>
Governing Law and Jurisdiction	<p>The Bonds shall be construed to be governed in accordance with Indian Law. The competent Courts in New Delhi alone shall have jurisdiction in connection with any matter arising out of or under these precincts.</p>

