



Speed Post Ref. no:- 020129

पावर फाइनेंस कॉर्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.

(भारत-सरकार का उपक्रम)

(A Govt. of India Undertaking)

(आई.एस.ओ. 9001:2008 प्रमाणित)

(ISO 9001:2008 Certified)

CIN-L65910DL1986GOI024862

No: 1:05:138:11:CS

Dated:-19.05.2014

Bombay Stock Exchange Limited,
Department of Corporate Services,
Floor- 25, PJ Towers, Dalal Street,
MUMBAI- 400 001.

Scrip Code: - 532810

National Stock Exchange of India Limited,
Listing Department,
Exchange Plaza, Sandra - Kurla Complex,
Sandra (E) MUMBAI - 400 051.

Scrip Code: - PFC

Sub: Intimation regarding Notice of Postal Ballot

Sir,

In continuation of our earlier letter dated 02.05.2013, we would like to forward you the copy of Postal Ballot Notice along with Postal Ballot Form which was sent to the shareholders in Physical copy who have not registered their email IDs with depositories or with the company and through email to the shareholders who have registered their email IDs with depositories or with the company and the same is also uploaded on company's website i.e. www.pfcindia.com

This is for information and records.

Thanking you,

Yours faithfully,
For Power Finance Corporation Ltd.


(Manohar Balwani)
Company Secretary
mb@pfcindia.com



POWER FINANCE CORPORATION LIMITED

A Govt. of India Undertaking
CIN No. - L65910DL1986GOI024862
"1" | Urjanidhi Bhawan | Barakhamba Lane |
Connaught Place, New Delhi – 110001, India
Tel : +91 11 23456000; Email id : investorsgrievance@pfcindia.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

To,
The Members,
Power Finance Corporation limited

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Managements and Administration) Rules, 2014, Power Finance Corporation limited (the "Company") is seeking the consent of its members through postal ballot for the following special business:

1. Raising of resources through private placement of non-convertible debentures.
2. Enhancement of the borrowing power for the purpose of business of the company.
3. Authorization to the Board of Directors for mortgaging and/or creating charge on the assets of the company for securing borrowings for the purpose of the company.

The proposed Special Business, along with explanatory statement pursuant to section 102 of the Companies Act, 2013 and a postal ballot form is enclosed for your consideration. The Company has appointed Ms. Archana Bansal, Practicing Company Secretary, as scrutinizer for conducting the entire postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed in the attached self addressed, prepaid postage envelope, so as to reach the scrutinizer not later than 5:00 pm on Saturday the 14th June 2014. The ballot forms received after the said date will be treated as not received.

SPECIAL BUSINESS:

1. RAISING OF RESOURCES THROUGH PRIVATE PLACEMENT.

To consider and if thought fit, to give assent/dissent to the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 42 of The Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable provisions of The Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to make offer(s) or invitation(s) to subscribe to the secured/unsecured, redeemable, non-convertible, taxable/tax-free, senior/subordinated bonds/debentures/debt securities ("Bonds") to the extent of Rs. 44,000 Crore in one or more tranches during the current Financial year ending on 31st March, 2015, through private placement in conformity with rules, regulations and enactments as applicable from time to time subject to the total borrowings of the company not exceeding the borrowing powers approved by the shareholders under Section 180(1) (c) of Companies Act 2013 and to do, from time to time, 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(s), 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 be and are hereby authorized to sub-delegate all or any of the above authorizations in favour of a Committee of its members subject to such conditions as they may deem fit."

"RESOLVED FURTHER THAT the board of Directors be and are hereby authorised to do or cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to this resolution."

2. ENHANCEMENT OF THE BORROWING POWERS FOR THE PURPOSE OF BUSINESS OF THE COMPANY

To consider and if thought fit, to give assent / dissent to the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of resolution passed by the shareholders in its 25th Annual General Meeting held on September 28, 2011, the consent of the Company be and is hereby accorded to the Board of Directors of the Company under the provisions of Section 180(1)(c) of Companies Act 2013, read with relevant rules, to raise such sum or sums of money from time to time as may be required for the purpose of the business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from "temporary loans" as explained in section 180(1)(c) of the companies Act 2013 obtained from the company's bankers in the ordinary course of business) may, at any time, exceed up to a sum of Rs 4,00,000 crore (Rupees four lakh crore) in Indian Rupees and amount equivalent to USD 8 Billion in any foreign currency respectively over and above the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) on such terms and conditions as the Board may consider necessary and expedient in their absolute discretion.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do or cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to this resolution."

3. AUTHORIZATION TO THE BOARD OF DIRECTORS FOR MORTGAGING AND/OR CREATING CHARGE ON THE ASSETS OF THE COMPANY FOR SECURING LOAN FOR THE PURPOSE OF BUSINESS OF THE COMPANY

To consider and if thought fit, to give assent / dissent to the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of resolution passed by the shareholders in its 25th Annual General Meeting held on September 28, 2011, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(a) of Companies Act 2013, read with relevant rules, to the Board of Directors of the Company for mortgaging and/or charging of all or any of the movable and/or immovable properties of the company, both present and future, or the whole or substantial whole of the undertaking or the undertakings of the company for securing the borrowing (outstanding in books of the Company) of Rs. 4,00,000 Crore (Rupees Four Lakh Crore Only) in the Indian Currency and in any Foreign Currency equivalent to US \$ 8 Billion (Eight Billion US Dollars only) for the purpose of the business of the Corporation.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do or cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to this resolution."

By the Order of Board

**Sd/-
(Manohar Balwani)
Company Secretary**

Place: New Delhi

Date: 2/5/2014

Notes:

1. The Explanatory Statement and reasons for the proposed Special Business pursuant to Section 102 of the Companies Act, 2013 ('the Act') setting out material facts are appended herein below.
2. The Notice is being sent to all the Members, whose names appear on the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on Friday the 09th May 2014.
3. The Company has appointed Ms. Archana Bansal, Company Secretary in whole-time practice, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
4. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed on the attached self-addressed Business Reply envelop and unsigned Postal Ballot Form will be rejected. Postage will be borne and paid by the Company. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5:00 pm on Saturday the 14th June 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. The e-Voting module shall also be disabled for voting thereafter.
5. In compliance with the provisions of Section 102 of the Act read with Rule 22 of the Companies (Managements and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

- i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • <u>Event no.</u> followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact toll free No. **1-800-34-54-001** for any further clarifications.
- iv) Members can cast their vote online from 16.05.2014, 9.00 AM to 14.06.2014, 5.00 PM
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/ Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., '**Company Name**'.
- ix) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to s.pfcltd@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name _ Event no."

6. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiatives of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Ballot Form. Members have option to vote either through e-voting or through Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the link <https://evoting.karvy.com> or www.pfcindia.com or seek duplicate Postal Ballot Form from Karvy Computershare Private Limited, Registrar & Share Transfer Agent, Unit: Power Finance Corporation Limited, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081, fill in the details and send the same to the Scrutinizer.
7. Kindly note that the Members can opt only one mode of voting, i.e. either by Physical Ballot or e-Voting. If you are opting for e-Voting, then do not vote by Physical Ballot also and vice versa. However, in case Members cast their vote by Physical Ballot and e-Voting, then voting done through valid Physical Ballot shall prevail and voting done by e-Voting will be treated as invalid.
8. The result of the Postal Ballot shall be declared by the Chairman on Friday, the 20th June 2014 at the Registered Office of the Company. The resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman, if the result of the Postal Ballot indicates that the requisite majority of the Members had assented to the resolutions. The result of the Postal Ballot shall also be announced through newspaper advertisement and shall also be hosted on the website of the Company www.pfcindia.com.
9. All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11:00 hrs. to 13:00 hrs. up to the date of declaration of the result of Postal Ballot.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to section 102 of the Companies Act, 2013

Item no.1

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 has been conferred with the status of Nav-Ratna PSU by the Govt. of India. The Company is engaged in providing financial assistance to State Power Utilities (SPUs) for meeting financing and development requirements of the power sector. To meet its fund requirement, PFC has been raising the funds by way of bonds, term loans from Banks/FIs and ECBs etc.

The main constituents of the Company's borrowings are generally in 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 / Bonds / Line of Credit, Long-term, Medium term and Short term loans (including commercial paper).

It is proposed to raise funds through private placement of non-convertible debentures to the extent of Rs. 44,000 Crores in Financial Year ending 31st March, 2015.

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.

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

None of your Directors or relatives of the directors and other key managerial personnel are concerned or interested, financial or otherwise, in the said resolution.

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

All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11:00 hrs. to 13:00 hrs. up to the date of declaration of the result of Postal Ballot.

Item No. 2

At the 25th Annual General Meeting of the Company held on September 28th, 2011, the shareholders of the Company had given power to the Board of Directors of the Company to borrow moneys upto the total amount of Rs. 2,00,000 crore (Rupees Two Lakh crore Only) in Indian Rupees and US \$ 4 Billion (Four Billion US Dollars Only) in foreign currency.

Since 2011, the operations of the Company have increased substantially and to meet its growing fund requirement, the Company will have to borrow substantially from the market, which will cross the existing limit of borrowing.

As per the provisions of Section 180(1)(c) of the Companies Act, 2013 the Board of Directors of the Company shall not except with the consent of the Company in General Meeting borrow, together with the money already borrowed by the company in excess of the paid-up capital and free reserves of the Company.

Therefore, it is proposed that the limit for raising funds in Indian rupees may be increased to Rs. 4,00,000 crore as against the existing limit of Rs. 2,00,000 crore and in any Foreign Currency equivalent to US \$ 8 Billion as against the existing limit of US \$ 4000 Million.

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

None of your Directors or relatives of the directors and other key managerial personnel are concerned or interested, financial or otherwise, in the said resolution.

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

All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11:00 hrs. to 13:00 hrs. up to the date of declaration of the result of Postal Ballot.

Item No. 3

At the 25th Annual General Meeting of the Company held on September 28th, 2011, the shareholders of the Company had given powers to the Board of Directors of the Company to mortgage/ create charges on movable and/or immovable properties of the Company both present and future for securing loan upto Rs. 2,00,000 crore in Indian rupees and US \$ 4000 Million in any Foreign Currency.

Since 2011, the operations of the Company have increased substantially and in order to meet the growing fund requirement of the Company additional funds may be required by the Company to be raised by the creation of security on the movable/immovable assets of the Company.

As per the provisions of Section 180(1)(a) of the Companies Act, 2013 the Board of Directors of the Company shall not except with the consent of the Company in General Meeting create mortgage and/or charge of all or any of the movable and/or immovable properties of the Company, both present and future, or of the whole or substantial whole of the undertaking or undertakings of the Company.

Therefore it is proposed to allow the Board of Directors of the Company to mortgage/ create charges on movable and/or immovable properties of the Company both present and future for securing loan upto Rs. 4,00,000 crore in Indian rupees and US \$ 8 Billion or equivalent in any Foreign Currency for the purpose of the business of the Company.

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

None of your Directors or relatives of the directors and other key managerial personnel are concerned or interested, financial or otherwise, in the said resolution.

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

All relevant documents shall be open for inspection at the Registered Office of the Company on all working days between 11:00 hrs. to 13:00 hrs. up to the date of declaration of the result of Postal Ballot.

By the Order of Board

**Sd/-
(Manohar Balwani)
Company Secretary**

Place: New Delhi
Date: 2/5/2014



POWER FINANCE CORPORATION LIMITED

A Govt. of India Undertaking

CIN No. - L65910DL1986GOI024862

“1” | Urjanidhi Bhawan | Barakhamba Lane | Connaught Place, New Delhi – 110001, India

Tel : +91 11 23456000 | Email id : investorsgrievance@pfcindia.com

POSTAL BALLOT FORM

Serial No. : BAL_NO

1. Name and Postal / Registered Address of the sole / first named Shareholder : NAME
ADD1
ADD2
ADD3
ADD4
PIN : PINCODE
2. Name(s) of the Joint Shareholder(s) if any : JT1
JT2
3. Registered Folio No. / DP ID No./ Client ID No.* : DPID / FOLIO/CLID
(*Applicable to investors holding shares in dematerialized form)
4. Class of Shares : Equity Shares

I/We hereby exercise my/our vote in respect of the Special Resolution enumerated below by recording my/our assent or dissent to the said Resolutions in the following manner: -

Item No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	<u>Special resolution:</u> Related to raising of resources through private placement of non-convertible debentures as detailed in notice dtd. 02.05.2014.	SHARES		
2.	<u>Special resolution:</u> Related to enhancement of the borrowing power for the purpose of business of the company as detailed in notice dtd. 02.05.2014.	SHARES		
3.	<u>Special resolution:</u> Related to authorization to the Board of Directors for mortgaging and/or creating charge on the assets of the company for securing borrowings for the purpose of the company as detailed in notice dtd. 02.05.2014.	SHARES		

Place :

Date :

Signature of the Shareholder

Electronic Voting Particulars

EVEN (E- Voting Event Number)	USER ID	PASSWORD/PIN
EVENT_NO	USER_ID	PWD

INSTRUCTIONS

1. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions and return the postal ballot form duly completed in the attached self-addressed Business Reply envelop.
2. Unsigned Postal Ballot Form will be rejected.
3. Postage will be borne and paid by the Company. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon.
4. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than the close of working hours (i.e. upto 5:00 pm) on Saturday, 14th June, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. The e-Voting module shall be disabled for voting thereafter.
5. In compliance with the provisions of Section 102 of the Act read with Rule 22 of the Companies (Managements and Administration) Rules, 2014 & read with the Companies (Passing of the resolution by Postal Ballot) Rules, 2011, the Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The instructions for e-voting are detailed in the notice.
6. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiatives of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Ballot Form. Members have option to vote either through e-voting or through Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the link <https://evoting.karvy.com> or www.pfcindia.com or seek duplicate Postal Ballot Form from Karvy Computershare Private Limited, Registrar & Share Transfer Agent, Unit: Power Finance Corporation Limited, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081, fill in the details and send the same to the Scrutinizer.
7. Kindly note that the Members can opt only one mode of voting, i.e. either by Physical Ballot or e-Voting. If you are opting for e-Voting, then do not vote by Physical Ballot also and vice versa. However, in case Members cast their vote by Physical Ballot and e-Voting, then voting done through valid Physical Ballot shall prevail and voting done by e-Voting will be treated as invalid.
8. The result of the Postal Ballot shall be declared by the Chairman and Managing Director on Friday, the 20th June, 2014 at the Registered Office of the Company. The resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman and Managing Director, if the result of the Postal Ballot indicates that the requisite majority of the Members had assented to the resolutions. The result of the Postal Ballot shall also be hosted on the website of the Company www.pfcindia.com.
9. All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11:00 hrs. to 13:00 hrs. up to the date of declaration of the result of Postal Ballot.