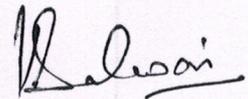


Annexure I**Quarterly Compliance Report on Corporate Governance**

Name of the Company: Power Finance Corporation Limited
Quarter ending on: 30th June, 2013

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	49 (I)		
(A) Composition of Board	49 (IA)	No	As on 30 th June, 2013, the Board of Directors comprised of 9 members. Out of which 4 are whole time directors, 1 government nominee director and 4 independent directors. The Company has already requested Government of India to expedite the process of appointment of an Independent Director on the Board of the Company, so that the composition of the Board is in compliance with the Listing Agreement.
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	Only Sitting fee is paid to the Independent Directors within the limits prescribed under Companies Act, 1956 as approved by the Board.
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	Yes	Except clause (i) which is not applicable.
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues,	49 (IV D)	N.A.	

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
rights issues, preferential issues etc.			
(E) Remuneration of Directors	49 (IV E)	Yes	
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	



(Manohar Balwani)
Company Secretary