

**TAMIL NADU POWER FINANCE AND
INFRASTRUCTURE DEVELOPMENT CORPORATION
LIMITED, CHENNAI - 35**

PRESS NOTE

The Tamil Nadu Power Finance and Infrastructure Development Corporation Limited (TN Power Finance) was incorporated on 27.06.1991. The Corporation is registered with Reserve Bank of India as a Non Banking Finance Company. The objective of the Corporation is to mobilize funds for the Power Sector in Tamil Nadu, particularly for the schemes relating to generation, transmission and distribution network of the Tamil Nadu Electricity Board. The authorized share capital of the Corporation is Rs.50 crores and the Paid up Share Capital as on date is Rs.22 Crores.

FIXED DEPOSITS:

Concern and care for the customers and consistent profits have considerably expanded the deposit base over the last decade besides leaving an indelible imprint in the minds of the investors. Due to the failure of many private Non Banking Finance Companies which lured investors with exorbitant interest rates in the past, the investors have reposed faith in Tamil Nadu Power Finance and Infrastructure Development Corporation Limited. Coupled with this fact, Powerfin's offer of 1% interest more than the nationalized banks has resulted in the substantial growth of deposit base from Rs.2.09 crores in 1991-92 to Rs.2,937.15 crores as on 19/09/2008 and the number of deposits from 816 in 1991-92 to 3,05,998 deposits as on 19/09/2008.

TN Power Finance has revised the interest rates for deposits with effect from 22/09/2008 which is as follows:-

Period	Rate % per annum
12 Months	10.50
24 Months	10.75
36, 48 & 60 Months	11.00

Besides, TN Power Finance is offering additional interest @ 0.25% per annum for 12 months and 24 months and 0.50% per annum for 36, 48 and 60 months on deposits made by Senior Citizens who have completed 58 years.

FINANCIAL ASSISTANCE

The funds mobilized by Power Finance are being utilized to finance TNEB for its generation / transmission / distribution and other activities. The net cumulative financial assistance to TNEB as on 19/09/2008 is Rs.8,772.57 crores and the net loan outstanding from TNEB is Rs.3534.61 crores as on 19/09/2008. In addition to the above, a sum of Rs. 105.00 crores as on 19/09/2008 has been provided to other Corporations like Poompuhar Shipping Corporation Limited, Tamil Nadu Industrial Investment Corporation Limited, Tamil Nadu Industrial Development Corporation Limited etc.

MANAGEMENT OF GOVERNMENT SCHEMES:

A sum of Rs.353.59 crores (as on 19/09/2008) benefiting 2,32,714 children has been received as deposit under the

"Sivagami Ammaiyar Ninaivu Penn Kuzhanthaigal Paadukaappu Thittam".

A sum of Rs.25.51 crores (as on 19/09/2008) has been received covering 10202 temples under "Oru Kala Pooja" Scheme.

A sum of Rs.3.75 crores (as on 19/09/2008) has been received under the scheme for providing assistance to students of schools who have lost their income earning parents in accidents.

A sum of Rs. 6.76 crores (as on 19/09/2008) has been received for providing assistance to 150 orphaned children and adolescent, unmarried girls affected by Tsunami.

PROFITABILITY & DIVIDEND:

The Corporation has been making profit consistently since its inception in 1991. It is also declaring dividend at 20% on its Paid up Share Capital continuously for the past twelve years since 1995 - 96. Upto 2006-07, the Corporation has paid dividend totalling Rs.47.62 crores to the Government of Tamil Nadu.

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Issued by:

DIPR, Chennai-9.