



PTC INDIA FINANCIAL SERVICES LIMITED

6<sup>TH</sup> ANNUAL REPORT 2011 - 2012

### **Vision**

“Be the most preferred financial services partner in the entire energy value chain”

### **Mission**

“To partner and forge strong relationships with credible stakeholders to provide complete financial services for all links in the energy value chain”

#### **6TH ANNUAL GENERAL MEETING**

To be held on Friday, 21.09.2012 at 11:30 A.M. at FICCI Auditorium, 1 Foundation House, Tansen Marg, New Delhi - 110001

#### **NOTE:**

1. Shareholders are requested to bring their copy of Annual Report with them to the Annual General Meeting .
2. No gifts or coupons would be given to the shareholders for attending the Annual General Meeting.

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## Reference Information

Registered Office	:	PTC India Financial Services Limited, 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi- 110066
Company Secretary	:	Mr. Vishal Goyal
Statutory Auditors	:	Deloitte Haskins and Sells
Internal Auditors	:	Raj Har Gopal & Co.
Shares are listed on	:	NSE & BSE
Depository	:	NSDL & CDSL
Registrar and Transfer Agent		
• Equity & Infra Bonds	:	Karvy Computershare Private Limited
• NCDs	:	MCS Limited
Bankers	:	Yes Bank Punjab National Bank Corporation Bank Union Bank of India Indian Bank HDFC Bank Oriental Bank of Commerce
Trustee for NCD / Bonds	:	IDBI Trusteeship Services Limited
Website	:	<a href="http://www.ptcfinancial.com">www.ptcfinancial.com</a>

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of PTC India Financial Services Ltd will be held on 21st day of September, 2012 at 11:30 A.M. at FICCI Auditorium, 1 Foundation House, Tansen Marg, New Delhi - 110001, to transact the following business: -

### ORDINARY BUSINESS:

- To consider and adopt the audited Balance Sheet as at 31st March, 2012, Profit and Loss Account (including all the documents attached to it) for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
- To re-appoint Dr. Uddesh Kohli who retires by rotation and is eligible for re-appointment.
- To re-appoint Mr. Ramarao Muralidharan Coimbatore who retires by rotation and is eligible for re-appointment.
- To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment of Statutory Auditors for the financial year 2012-13 as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956, M/s Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration no. 015125N), be and is hereby re-appointed as the Statutory Auditors of the Company for the financial year 2012-13, to hold the office from conclusion of 6th Annual General Meeting of the Company until the conclusion of 7th Annual General Meeting of the Company on the terms and conditions as decided by the Board or any Committee hereof from time to time.”

“FURTHER RESOLVED THAT Company Secretary or any other officer of the company be and is hereby authorised to inform M/s Deloitte Haskins & Sells, Chartered Accountants about their re-appointment as Statutory Auditors of the Company for the financial year 2012-13.”

### SPECIAL BUSINESS:

- To appoint Mr. Ved Kumar Jain as Director, who was appointed as Additional Director pursuant to provision of Section 260 of Companies Act, 1956, and holds the office upto ensuing AGM.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 257 of the Companies Act, 1956, Mr. Ved Kumar Jain, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

“FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is hereby authorised to do all such acts as may be required including filing of necessary intimation with Registrar of the Companies or any other Government Authorities for above purpose.”

- To appoint Dr. Pawan Singh as Whole Time Director in accordance with Section 269 and Schedule XIII of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT Dr. Pawan Singh be and is hereby appointed as Whole-Time Director to be designated as ‘Director (Finance & CFO)’ of the Company for a period of five years from 1st February, 2012 and his appointment made shall be in accordance with Section 269 and Schedule XIII of Companies Act, 1956 and his powers, responsibilities and terms of appointment including his remuneration as Whole-Time Director shall be decided by the Board or a Committee duly constituted by the Board from time to time. Further, the Board of Directors are hereby authorized to take necessary actions in this regard.”

“FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is hereby authorised to do all such acts as may be required including filing of necessary intimation with Registrar of the Companies or any other Government Authorities for above purpose.”

- Increase in borrowing power of Board of Directors of the Company.

To consider and, if thought fit, to pass with or without modification, the following Resolutions as an Ordinary Resolution.

“RESOLVED THAT the consent of the shareholders be and is hereby accorded in terms of provisions of the Section 293(1)(d) and other provisions of the Companies Act, 1956, to authorise the Board of Directors or any Committee of the Directors to borrow moneys in excess of aggregate of the paid up capital and free reserves provided that the total borrowing shall not exceed Rs. 50000 million”

“FURTHER RESOLVED THAT the consent of the shareholders be and is hereby accorded in term of Section 293(1)(a) and other provisions of the Companies Act, 1956, to authorise Board of Directors or any Committee of Directors to mortgage or create charge on any or all of the movable, immovable and other assets of the Company whatsoever present or future, to take loan, line of credit, cash credit limit, issue of debentures, bonds, commercial papers, banks guarantee or any other fund based or non fund based borrowing from the banks, financial institutions and any other lenders including external commercial borrowing as may deem fit and proper in the best interest of the Company by the Board of Directors and any Committee of Directors which shall not exceed Rs. 50000 Million.”

“FURTHER RESOLVED THAT the Board of Directors or any Committee of Directors be and is hereby authorised to take all necessary actions as may be required in this regard from time to time.”

By Order of the Board of Directors  
For PTC India Financial Services Limited

Sd/-  
(Vishal Goyal)  
Company Secretary

Place: New Delhi  
Date: 30th July, 2012

### Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (The ‘MEETING’) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
- Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business set out in the notice is enclosed.
- As required by Clause 49 of the Listing Agreement, relevant details of Dr. Uddesh Kohli & Mr. Ramarao Muralidharan Coimbatore, Director(s) retiring by rotation and seeking re-appointment under item no. 2 & 3 aforesaid in accordance with provisions of the Companies Act, 1956 is annexed as annexure-A.

5. None of the Directors of the Company is in any ways related to each other.
6. The register of Members and Share Transfer Books of the Company will remain closed from 8th September, 2012 to 21st September, 2012 (both days inclusive).
7. 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.
8. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or Registrar & Transfer Agent alongwith relevant share certificates.
9. Members desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 109A of the Companies Act, 1956, are requested to write to Karvy Computershare Private Ltd, Registrar & Transfer Agent of the Company in the prescribed form. In case held in dematerialised form, the nomination has to be lodged with the respective Depository Participant.
10. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrar & Transfer Agent and to their respective Depository Participants, in case of shares held in electronic mode.
11. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Company Secretary of the Company at the registered office atleast 10 days prior to the date of the Meeting, so that the information required can be made readily available at the Meeting.
12. All 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 A.M. to 1 P.M. prior to the date of Annual General Meeting.
13. The Annual Report is also available at the Company's website [www.ptcfinancial.com](http://www.ptcfinancial.com).
14. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
15. 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.
16. The Company is not providing Video conferencing facility for this Meeting.
17. As per the circular no. 18/2011 on Green Initiative, the Company will send Annual Report along with other documents through e-mail to all members, who have registered their e-mail address with depository and physical hard copies will be despatched to others. In case any member desires to get hardcopy of annual report, they can write to the Company at registered office address or e-mail at [complianceofficer@ptcfinancial.com](mailto:complianceofficer@ptcfinancial.com)

### **Important Communication to Members**

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the 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 its 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 e-mail addresses, in respect of electronic holdings with the Depository through their respective Depository Participants. Members who hold shares in physical form are requested to provide details of e-mail addresses to Registrar & Transfer Agent of the Company.

## Annexure to the Notice

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

#### Item no. 5

Born on 15.12.1953, Shri Ved Kumar Jain is a rank holder in both CA Inter and CA Final examination. A Triple Bachelors Degree Holder, he completed his Bachelor of Science from Punjab University in 1973. After completing his Chartered Accountancy in 1976, he did his Bachelors of Arts in Economics in 1979. He also completed his Bachelors of Law in 1980. He was elected to the Central Council of The Institute of Chartered Accountants of India (ICAI) in 2004 and thereafter in 2007 and became President of ICAI in 2008. Recognizing his professional achievements he was taken on the Board of International Federation of Accountants (IFAC), a global organization for the accountancy profession comprised of 167 members and associates in 127 countries. He has more than three decades of experience in finance and taxation. A prolific writer, having command in Hindi, English, French, Urdu and Punjabi, has authored many books on Direct Taxes. He is also holding directorship in many other Companies viz. National Aluminium Company Limited, Maytas Properties Ltd, PTC India Ltd, IL&FS Engineering and Construction Company Ltd., VJ Corporate Advisors(P) Ltd. and ICAI Accounting Research.

He was inducted as an Independent Director on PTC India Financial Services Limited Board w.e.f. 24th October, 2011.

No other Director is interested in appointment of Mr. Ved Kumar Jain excepting him. The Board recommends the resolution for approval of the shareholders.

Other Directorships are:

1. Maytas Properties Ltd.
2. IL&FS Engineering and Construction Company Ltd.
3. VJ Corporate Advisors Pvt. Ltd.
4. PTC India Ltd.
5. National Aluminum Company Ltd.
6. ICAI Accounting Research Foundation.

Chairmanships/Memberships in committees (Audit Committee and Shareholders'/Investors' Grievance Committee) in other companies:

1. Audit Committee of IL&FS Engineering and Construction Company Ltd. (Chairman)
2. Audit Committee of Maytas Properties Ltd. (Chairman)
3. Audit Committee of National Aluminum Company Ltd. (Chairman)
4. Audit Committee of PTC India Ltd. (Member)
5. Shareholders' Grievance Committee of IL&FS Engineering and Construction Company Ltd. (Member)
6. Shareholders' Grievance Committee of PTC India Ltd. (Member)

He is not holding any share in the Company.

#### Item no. 6

Dr. Pawan Singh, aged 50 years, is the Director (Finance & CFO) of Company and has more than approximately 29 years of experience in

financing including infrastructure finance. In this time, he has handled several financing proposals, both from the perspective of borrowers and lenders. Dr. Singh has also been closely involved with the first public-private-partnership project in the power sector and power sector reforms in Delhi. He is currently a visiting faculty member in the area of corporate financing, infrastructure financing and project financing at several management institutes in India. Dr. Singh was a member of the IRAS and has a Ph.D in Financial Management and MBA. He has also served as Director (Finance) at Delhi Power Company Limited, Delhi Transco Limited, Indraprastha Power Generation Company Limited and Pragati Power Company Limited. Earlier he worked in Powergrid Corporation Ltd. as General Manger (Finance). He has also worked in Bharat Petroleum & Tata Steel.

The Board in its meeting held on 7th December, 2011, appointed Dr. Pawan Singh as Director (Finance & CFO) of the Company.

No other Director is interested in appointment of Dr. Pawan Singh excepting him. The Board recommends the resolution for approval of the shareholders.

Other Directorships are:-

1. IIFCL Asset Management Company Limited

He is not holding any share in the Company

#### Item no. 7

The Company is in the business of proving the financial assistance to companies in the power sector and related areas across the entire energy value chain. The Company has sanctioned approximately Rs. 69200 million financial assistance upto 31st March, 2012 and Company is in process to approach various banks/financial institutions/investors back-to-back to tie up the funds.

The shareholders have already approved a limit of Rs. 15000 million in the 4th AGM held on 24th September, 2010. Since then the operations of the Company have increased multifold and considering the future growth fund requirement of the Company, it is proposed to enhance the borrowing limit of the company from present Rs. 15000 million to Rs. 50000 million.

It is further proposed to authorise the Board of Directors and any Committee of the Directors to borrow monies upto Rs. 50000 million in a manner as may be decided by Board of Directors or any Committee thereof.

None of the Directors of the Company are interested in this resolution. The Board recommends for approval of the shareholders.

By Order of the Board of Directors  
For PTC India Financial Services Limited

Sd/-  
(Vishal Goyal)  
Company Secretary

Place: New Delhi  
Date: 30th July, 2012

*Details of Directors appointing or re-appointing in this Annual General Meeting.*

**Dr. Uddesh Kohli**

Dr. Kohli is an Engineer from the Indian Institute of Technology, Roorkee and holds a Post-Graduate Diploma in Industrial Administration from the Manchester University, UK. He obtained his Ph.D. in Economics from Delhi School of Economics. Dr. Kohli was also the Chairman and Managing Director of Power Finance Corporation Limited and has worked with the Planning Commission, Government of India, reaching the position of Advisor (Additional Secretary level). He has carried out international assignments for Asian Development Bank, United Nations Industrial Development Organization, United Nations Development Programme and United Nations Office for Project Services. Dr. Kohli's areas of expertise include development planning, finance, project formulation, appraisal, sustainability and monitoring, power/energy planning, Corporate Social Responsibility training and human resource development.

Other Directorships are: -

1. ALSTOM India Ltd.
2. ICRA Ltd.
3. Lanco Infratech Ltd.
4. National Energy Trading and Services Ltd.
5. R.K. Wind Ltd.

Chairmanships/Memberships in committees (Audit Committee and Shareholders'/Investors' Grievance Committee) in other companies:

1. Audit Committee of ALSTOM India Ltd. (Member)
2. Audit Committee of Lanco Infratech Ltd. (Member)
3. Audit Committee of ICRA Limited (Member)
4. Transfer and Shareholders'/Investors' Grievance Committee of ALSTOM India Ltd. (Member)
5. Transfer and Shareholders'/Investors' Grievance Committee of ICRA Ltd. (Chairman)
6. Audit Committee of National Energy Trading and Services Ltd. (Chairman)
7. Audit Committee of R.K. Wind Limited (Chairman)

He is holding 3500 shares in the Company.

**Mr. Ramarao Muralidharan Coimbatore**

In his earlier capacity, Mr. Muralidharan was Whole-Time Member of IRDA and was looking after the compliance by the insurers of the regulations on investments, analysis of financial statements of insurance companies, on and off-site supervision of insurance companies as well as other regulatory issues including the registration of new insurance companies. Prior to joining IRDA, he worked in RBI for more than three decades in various capacities. He was heading the Department of Banking Operations and Development (DBOD) of RBI, which is responsible for laying down a regulatory framework on a wide range of operations for Indian commercial banks to promote a sound and competitive banking system consistent with the emerging international best practices. He assisted IMF in two overseas assignments and was associated with several High Level Working Groups on Banking Regulation.

Other Directorships are:

1. City Union Bank Ltd.
2. ICICI Prudential Asset Management Company Ltd.

Chairmanship/Membership in committee (Audit Committee and Shareholders'/Investors' Grievance Committee) in other companies :

1. Audit Committee of City Union Bank Ltd. (Member)

He is not holding any share in the Company.



**The Board of Directors of PFS comprises of:**



**Mr. Tantra Narayan Thakur**  
Chairman & Managing Director



**Dr. Ashok Haldia**  
Whole Time Director



**Dr. Pawan Singh**  
Whole-Time Director &  
Chief Financial Officer



**Mrs. Rama Murali**  
Director



**Dr. Uddesh Kohli**  
Director



**Mr. Surinder Singh Kohli**  
Director



**Mr. Ramarao Muralidharan Coimbatore**  
Director



**Mr. Ved Kumar Jain**  
Director



**Mr. Mukesh Kumar Goel**  
Director

## Brief Profile of Directors of PTC India Financial Services Limited

- **Mr. T. N. Thakur, Chairman & Managing Director**

Since the inception of PFS, Shri Tantra Narayan Thakur, initiator of the concept of power trading in India, has been its Chairman & Managing Director. He is also the Chairman & Managing Director of PTC India Limited.

Possessing an experience of over three decades as a member of the Indian Audit & Accounts Service, Mr. Thakur holds expertise in Treasury Management, Financial Management (including Resource Mobilization, Investment decisions and Appraisal of Projects for Project lending), Accounts, Cash Management, Budgeting and Budgetary Control, Human Resource Management. It is due to his wide knowledge and experience that the company has managed to create a position for itself even in such a short duration.

Mr. Thakur has also served as a Director (Finance & Financial Operations), Power Finance Corporation Ltd. (a Development Financial Institution for the power sector in India), New Delhi where he was responsible for mobilizing resources for the company for on-lending to power projects in the public sector (both state and central) as well as in the private sector including captive power plants.

- **Dr. Ashok Haldia**

A member of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India and the Institute of Cost and Works Accountants of India. Dr. Ashok Haldia has diversified experience of project financing and industrial financing policy, public sector policy reforms, evaluation and management, power sector reform, restructuring and financing.

Before joining on the Board of PFS, Dr. Haldia was Secretary, the Institute of Chartered Accountants of India, New Delhi. He has been associated with formulation of accounting & auditing standards, corporate laws and governance, Islamic finance, WTO-GATS, reforms in government accounting and related aspects of public finance. He had been a member of a number of committees set up by the Government of Rajasthan, the Government of India, ICAI and other national & international bodies. In past, he has also worked with Power Finance Corporation Ltd. and Government of Rajasthan.

He was Technical Advisor on Board of International Federations of Accountants, Confederation of Asian Pacific Accountants and Secretary General of South Asian Federation of Accountants. He has contributed a number of articles in national/international conferences, professional journals and news papers. He had also been a faculty member in number of management-training institutions.

- **Dr. Pawan Singh**

Dr. Singh is the Director (Finance & CFO) of the Company and has more than 29 years of experience in financing including infrastructure finance. During the period, he has handled several financing proposals, both from the perspective of borrowers and lenders. Dr. Singh has also been closely involved with the first public-private-partnership project in the power sector. He has won several awards for his contribution to infrastructure sector. He was involved with the successful implementation of power sector reforms in Delhi.

He is currently a visiting faculty member in the area of corporate financing, infrastructure financing and project financing at several management institutes in India and has presented papers at various conferences in India and abroad. Dr. Singh was a member of the IRAS, he is an M.B.A. and has a Ph.D. in Financial Management. He has served

as Director (Finance) at Delhi Power Company Limited, Delhi Transco Limited, Indraprastha Power Generation Company Limited and Pragati Power Company Limited. Earlier he also worked in Powergrid Corporation Ltd. as General Manager (Finance), Tata Steel and Bharat Petroleum. He is in the Board of Directors of IIFCL Assets Management Company.

- **Mrs. Rama Murali**

Mrs. Murali has more than 36 years of experience. She joined IA&AS in July 1973 and retired from service in May 2008. She has worked as Joint Secretary, Ministry of Finance in Department of Economic Affairs dealing with external aid, privatization of public sector enterprises and administration and policy relating to industrial units engaged in production of currency and coinage. She also worked as Joint Secretary, Govt. of India and Financial Advisor in the Dept of Scientific & Industrial Research, Financial Advisor to the Council of Scientific & Industrial Research, Govt. of India where she was in charge of finance and accounts of the Council. She was also the Financial Advisor to the New Delhi Municipal Corporation with overall in charge of finance and accounts. She is also the life member of Indian Institute of Public Auditors.

- **Dr. Uddesh Kohli**

Dr. Kohli is an Engineer from the Indian Institute of Technology, Roorkee and holds a Post-Graduate Diploma in Industrial Administration from the Manchester University, UK. He obtained his Ph.D. in Economics from the Delhi School of Economics. Dr. Kohli was also Chairman & Managing Director of Power Finance Corporation Limited and has worked with the Planning Commission, Government of India, reaching the position of Advisor (Additional Secretary level). He has carried out international assignments for Asian Development Bank, United Nations Industrial Development Organization, United Nations Development Programme and United Nations Office for Project Services. Dr. Kohli's areas of expertise include development planning, finance, project formulation, appraisal, sustainability and monitoring, power/energy planning, Corporate Social Responsibility training and human resource development.

- **Mr. Surinder Singh Kohli**

Mr. Kohli, aged 66 years, is an Independent Director of our Company and has been on the Board of our Company since December 13, 2010. He holds Bachelors degree in Science (Mechanical Engineering) from Benaras Hindu University and a diploma in Industrial Finance from Indian Institute of Bankers. Prior to joining our Company he was the Chairman & Managing Director of India Infrastructure Finance Company Limited, Punjab National Bank, Small Industries Development Bank of India and Punjab and Sind Bank respectively. He was also the Chairman of the India Banks Association for two terms.

- **Mr. Ramarao Muralidharan Coimbatore**

In his earlier capacity, Mr. Muralidharan was Whole-Time Member of IRDA and was looking after the compliance by the insurers of the regulations on investments, analysis of financial statements of insurance companies, on and off-site supervision of insurance companies as well as other regulatory issues including the registration of new insurance companies. Prior to joining IRDA, he worked in RBI for more than three decades in various capacities. He was heading the Department of Banking Operations and Development (DBOD) of RBI, which is responsible for laying down a regulatory framework on a wide range of operations for Indian commercial banks to promote a sound and competitive banking system consistent with the emerging international

best practices. He assisted IMF in two overseas assignments and was associated with several High Level Working Groups on Banking Regulation.

- **Mr. Ved Kumar Jain**

Born on 15.12.1953, Shri Ved Kumar Jain is a rank holder in both CA Inter and CA Final examination. A Triple Bachelors Degree Holder, he completed his Bachelor of Science from Punjab University in 1973. After completing his Chartered Accountancy in 1976, he did his Bachelors of Arts in Economics in 1979. He also completed his Bachelors of Law in 1980. He was elected to the Central Council of The Institute of Chartered Accountants of India (ICAI) in 2004 and thereafter in 2007 and became President of ICAI in 2008. Recognizing his professional achievements he was taken on the Board of International Federation of Accountants (IFAC), a global organization for the accountancy profession comprised of 167 members and associates in 127 countries. He has more than three decades of experience in finance and taxation. A prolific writer, having command in Hindi, English, French, Urdu and Punjabi, has authored many books on

Direct Taxes. He is also holding directorship in many other Companies viz. National Aluminium Company Limited, Maytas Properties Ltd, PTC India Ltd, IL&FS Engineering and Construction Company Ltd., VJ Corporate Advisors(P) Ltd. and ICAI Accounting Research.

He was inducted as an Independent Director on PTC India Financial Services Limited Board w.e.f. 24th October, 2011.

- **Mr. Mukesh Kumar Goel**

Shri Goel holds a Bachelors degree in Technology specializing in Electrical Engineering from Kanpur University. Shri Goel has a career spanning over 30 years. Before joining Power Finance Corporation (PFC) he was working with NHPC. Currently he has been in-charge of Institutional Development and Administration.

He has been involved in inducting reforms in State Power Utilities, steering Restructured Accelerated Power Development & Reform Programme of GOI and oversees human resource functioning, information technology and legal activities.

## PTC India Financial Services Limited

### DIRECTORS' REPORT

#### Dear Shareholders

The Directors have pleasure in presenting you the sixth Annual Report together with the audited accounts of your Company for the financial year 2011-12.

#### OVERVIEW

Power Sector in India has recorded capacity addition of about 26,251 MW during FY 2011-12 taking the total installed power generation capacity in the country to about 199,877 MW as at 31st March, 2012. The installed capacity addition during the 11th Five Year Plan 2007-12 was about 55,000 MW and the Government has set a target of 90,000 MW capacity addition during the 12th Five Year Plan 2012-17. India's energy-mix comprises both non-renewable (coal, lignite, petroleum and natural gas) and renewable energy sources (wind, solar, small hydro, biomass, cogeneration bagasse etc). Though the sector is currently constrained by shortage of fuel, implementation risks, logistical arrangements, banks' increasing exposure to distribution companies, these constraints are expected to overcome in short to medium term. The planned capacity addition during the 12th Five Year Plan, which will not only lead to setting up of power plants but also stimulate investments in other areas such as transmission lines, distribution networks, setting up of more EPC contractors, investment in logistics for movement of heavy machinery, transportation network for fuel etc, presents us with enormous opportunities of providing assistance in the sector and it is estimated that power sector would require capital investment in excess of Rs. 11 trillion during the ensuing plan.

PTC India Financial Services Limited (PFS) is a Systemically Important Non-Deposit Taking Non Banking Finance Company registered with Reserve Bank of India (RBI) and set-up to devote itself exclusively for providing financial solutions to projects in the energy value chain. The Company was accorded the status of Infrastructure Finance Company (IFC) by the RBI in August 2010. The operational and financial performance of the Company during FY 2011-12 has maintained rather exceeded growth momentum.

#### FINANCIAL RESULTS

During the year 2011-12, the Company has recorded a total revenue of Rs. 3,071.99 million, an increase of 182% over the previous year's revenue of Rs. 1,088.52 million.

The highlights of the financial results are as under

Particulars	(Rs. in million)	
	2011-12	2010-11
Income	3,071.99	1,088.52
Expenditure	1,055.58	574.21
Profit before tax	2,016.41	514.31
Tax expense	475.99	144.04
Profit after tax	1,540.42	370.27
Transfer to statutory reserve	308.09	74.10

During the year, the Company has disinvested its equity stake in two companies viz., Ind-Barath Power Gencom Limited and Indian Energy Exchange Limited which resulted in a profit of Rs. 1,272.43 million compared to a profit of Rs. 123.66 million on similar divestments during the previous year.

The profit before tax (PBT) has increased to Rs. 2,016.41 million during 2011-12 as compared to Rs. 514.31 million in 2010-11, thus recording a

significant growth of 292%. Profit after tax (PAT) increased by 316% to Rs. 1,540.42 million from Rs. 370.27 million during 2010-11.

#### OPERATIONAL PERFORMANCE

The amount of loan sanctioned during 2011-12 aggregated to Rs. 36,923 million compared to Rs. 17,030 million in 2010-11. The level of disbursement of debt was Rs. 6,241.75 million during the year compared to Rs. 6,236.64 million during the previous year. A large portion of equity of PFS was already committed and disbursed in the equity investments as at the beginning of the year 2011-12. As a result, the amount of disbursement of equity during the year was lower at Rs. 224.62 million. Effective commitments for debt as at 31st March, 2012 were Rs. 58,364 million compared to Rs. 33,649 million as at 31st March, 2011.

The number of new projects for which financial assistance was sanctioned during the year was 28 taking the total number of sanctioned projects till 31st March, 2012 to 90. The financial assistance sanctioned by PFS so far would help capacity creation of more than 24,000 MW. Fuel wise assisted projects during the year comprised of 11 coal-based thermal projects, 5 wind-based projects, 4 solar-based projects, 3 hydro-based project and 1 biomass-based project.

Most of the assisted projects have progressed well compared with the schedule of implementation. 3 coal-based thermal projects, 2 wind-based projects and 2 solar-based projects have achieved commercial operations during the year 2011-12. Through a comprehensive project monitoring mechanism, PFS continuously monitors status of implementation of assisted projects on a regular basis.

#### DIVIDEND

The Directors of the Company have not recommended dividend for the financial year ended 31st March, 2012.

#### SHARE CAPITAL

The paid up share capital of the Company as at 31st March, 2012 aggregates to Rs. 5,620.83 million comprising of 562,083,335 equity shares of Rs. 10 each fully paid up. PTC India Limited continues to hold 60% of the paid up capital of the Company as at 31st March, 2012. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

#### RESERVES

Out of the profits earned during the financial year 2011-12, the Company has transferred an amount of Rs. 308.09 million to Statutory Reserve in accordance with the requirements of Section 45-IC of the Reserve Bank of India Act, 1934.

#### RESOURCE MOBILIZATION

In order to meet the growing requirement of funds for the business operations, and to continuously optimise the borrowing cost, the Company has:

- (i) raised an amount of Rs. 1,596.05 million during FY 2011-12 through secured long term tax saving Infrastructure Bonds eligible for tax benefit under Section- 80CCF of the Income Tax Act, 1961.
- (ii) executed external commercial borrowing (ECB) agreement during the year with International Finance Corporation (IFC) for borrowing upto USD 50 million. The Company has availed ECB funds to the extent of USD 26 million till 31st March, 2012 out of the ECB agreement with DEG executed during financial year 2010-11 and the ECB facility from IFC shall be utilized during the ensuing financial year which would help us to lower the cost of borrowings.

The total borrowings of the Company stood at Rs. 7,602.61 million as at 31st March, 2012 as compared to Rs. 5,698.75 million as at 31st March 2011. The Company has made continuous and persistent efforts which have enabled it to reduce its cost of funds to 10.13% in financial year 2011-12 from 10.47% in financial year 2010-11. The reduction has been achieved despite the rising interest rate scenario in the economy during the entire financial year 2011-12. The ECB drawdown during 2012-13 will further help in lowering the cost of funds of the Company.

Out of the total proceeds from issue of secured long term tax saving infrastructure bonds aggregating to Rs. 1,596.05 million during FY 2011-12, the Company utilized a sum of Rs. 1,187.77 million for business purposes as mentioned in the information memorandum for the issue. The balance amount of Rs. 408.28 million as at 31st March, 2012 is held in current accounts and fixed deposits with scheduled banks.

#### REALISATION

The Company gives utmost priority to the realization of the amounts due towards principal and interest. During the year, PFS recovered loans of Rs. 617.3 million, and realized interest of Rs. 1,258.2 million on both short-term and long-term loans. The Company has all accounts as standard during the year and has not made any provision on Loan Assets (non performing) in its financial statements upto the year ended 31st March, 2012 other than the Statutory Reserve as mandated by the Reserve Bank of India. During the year 2011-12 the Company has created a provision for contingencies on standard assets amounting to Rs. 46.30 million in accordance with the requirements of Reserve Bank of India vide RBI Circular No. DNBS.PD.CC.No.207/ 03.02.002 /2010-11 dated 17th January, 2011. Though the RBI stipulates the provision equivalent to 0.25%, the Board of Directors of the Company has decided to create a provision equivalent to 0.50% of the standard assets.

#### CREDIT RATINGS

During the year ended 31st March, 2012, the long term bank borrowings of the Company have been rated **[ICRA] A+** by ICRA and Non Convertible Debentures have been rated **[ICRA] A+** by ICRA, **CARE A+** by CARE and **BWR AA** by Brickwork. The Company's commercial paper programme has been awarded the rating of **A1+** by ICRA.

#### HUMAN RESOURCE

Human Resources becomes critical to the rapid growth of your Company. Broadening and deepening the human skills and conducive HR practices have been core to the HR initiatives. Apart from the campus recruitments being made from the reputed institutions, direct recruitments have been made for specialised positions. The human resource policies of the Company help in attracting and retaining the best talent in the industry. Other HRD initiatives taken include employee welfare measures, in-house and out-station training programmes and promoting participative management.

#### DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of Section 217 (2AA) of the Companies Act, 1956, the Directors make the following statement:

- (i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed by PFS along with proper explanation relating to material departures;
- (ii) The Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2011-12 and of the profit of the Company for that period;

- (iii) Proper and sufficient care has been taken by the Directors for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and

- (iv) The Annual Accounts have been prepared on a going concern basis.

#### NON-ACCEPTANCE OF PUBLIC DEPOSIT

PFS is a Systemically Important Non - Deposit Taking Non Banking Finance Company. It has not accepted any public deposits during financial year 2011-12.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO ETC.

Since PFS is engaged in investment and lending activities, particulars relating to conservation of energy and technology absorption are not applicable to it.

The Company has incurred expenditure of Rs. 67.68 million (previous year Rs. 22.59 million) in foreign exchange during the year ended 31st March, 2012. These included payment of Rs. 41.90 million as charges/fee for raising ECB.

#### PARTICULARS OF EMPLOYEES

During the Financial Year ended on 31st March, 2012, no employee was employed for full or part of the year and who was in receipt of remuneration from PFS of more than Rs. 6.00 million per annum or Rs. 0.5 million per month, in aggregate.

#### AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants were appointed as Statutory Auditors of the Company for financial year 2011-12 by the shareholders and shall hold office upto the conclusion of the forthcoming Annual General Meeting.

The Auditors have audited the Accounts of the Company for the year ended 31st March, 2012. Audited Accounts together with the Auditor's Report thereon are annexed to this report.

#### CORPORATE GOVERNANCE

A detailed report on Corporate Governance and Management Discussion & Analysis report, pursuant to the requirement of Clause 49 of the Listing Agreement forms part of the Annual Report. A certificate obtained from the Statutory Auditor of the Company confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is annexed to the Report on Corporate Governance.

#### ACKNOWLEDGEMENT

The Board of Directors acknowledge with deep appreciation the co-operation received from Ministry of Power, Ministry of Finance, Reserve Bank of India, SEBI, NSE, BSE, PTC India Limited and other stakeholders, International Finance Corporation (IFC), DEG, various Banks, Consortium Partners and Officials of the Company.

For and on behalf of the Board of Directors

Date : 30th July, 2012  
Place: New Delhi

Sd/-  
T.N. Thakur  
Chairman & Managing Director  
DIN : 00024322



## REPORT ON CORPORATE GOVERNANCE

### Company's philosophy on Corporate Governance

Your company has always endeavoured to maintain highest standards of Corporate Governance norms and practicing the principles of good Corporate Governance. Corporate Governance principles as practiced by the Company rests upon the foundation of transparency in all dealings, adequate disclosures, absolute compliance with the laws, fairness, professionalism, accountability and ultimately the target of maximizing the shareholders' value. Corporate Governance is concerned with the morals, ethics, values, parameters, conduct and behaviour of the Company and its management. The spirit of governance of PTC India Financial Services Limited (PFS) is derived from this philosophy and has been articulated through the Company's various policies.

Being a finance Company, PFS has to regularly pursue businesses that maximise returns while effectively managing the inherent risks. Decision making and execution is driven by its governance structure, ethics and value systems. Your Company's philosophy of Corporate Governance embodies the dual goals of protecting the interests of all stakeholders while respecting the duty of the Board and Senior Management to oversee the affairs of a company and promote long-term growth and profitability.

As per the requirements of the listing agreement with the stock exchanges and also in tune with our practice of sharing the information with the shareholders, government, clients, employees and society at large, a report on the Corporate Governance is given below as a part of the Director's Report along with the Certificate issued by the Statutory Auditors regarding compliance with the requirements in regard to Corporate Governance specified in Clause 49 of the listing agreement with stock exchanges.

PFS is committed to achieve the best standards of the Corporate Governance. The Company has built up a strong foundation for making Corporate Governance a way of life by having an independent Board with experts of eminence, forming a core team of top level executives, inducting competent professionals across the organisation and putting in place best systems and processes. Going beyond PFS has endeavoured to regulatory and legal compliances and adopt practices of high level of business ethics.

### Board of Directors

The Board of Directors of PFS provide leadership and strategic guidance, objective judgement and exercises control over the Company, while remaining at all times accountable to the stakeholders.

### Composition

As on 31st March, 2012 the Company's Board comprised of 9 (Nine) Directors out of which 5 (five) are Independent Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement.

Brief profile of the Directors is set out separately in the Annual Report.

S. No.	Name of Director	Designation
1.	Mr. Tantra Narayan Thakur	Chairman & Managing Director
2.	Dr. Ashok Haldia	Whole-Time Director
3.	Dr. Pawan Singh*	Whole-Time Director and Chief Financial Officer (CFO)
4.	Dr. Uddesh Kohli	Non-Executive Director (Independent Director)
5.	Mrs. Rama Murali	Non-Executive Director (Independent Director)
6.	Mr. Ramarao Muralidharan Coimbatore	Non-Executive Director (Independent Director)
7.	Mr. Mukesh Kumar Goel	Non-Executive Director
8.	Mr. Ved Kumar Jain#	Non-Executive Additional Director (Independent Director)
9.	Mr. Surinder Singh Kohli	Non-Executive Director (Independent Director)

\*Appointed on 1st February, 2012

#Appointed on 24th October, 2011

### Number of Board Meetings

There were 6 (Six) Meetings of the Board of Directors held during the financial year ended 31st March, 2012 i.e. on 25th May, 2011; 29th July, 2011; 24th October, 2011; 11th November, 2011; 7th December, 2011 and 25th January, 2012.

### Board Meetings and Attendance:

S.No.	Name	Designation	No. of meetings held	No. of meetings attended	No. of other Directorships as on 31 <sup>st</sup> March, 2012	Attendance at the last AGM	Other Chairmanships/ Memberships (Audit & Investor Grievance Committee)	No. of Chairmanships	No. of Memberships
1.	Mr. T. N. Thakur	Chairman & Managing Director	6	6	4	Present	0	0	
2.	Dr. Ashok Haldia	Whole-Time Director	6	6	4	Present	0	2	
3.	Dr. Pawan Singh (appointed on 1 <sup>st</sup> February, 2012)	Whole-Time Director & CFO	-	-	0	Not applicable	0	0	
4.	Mr. P. Abraham (retired by rotation on 28 <sup>th</sup> September, 2011)	Non-Executive Director (Independent Director)	2	1	Not applicable	Absent	Not applicable	Not applicable	
5.	Dr. Uddesh Kohli	Non-Executive Director (Independent Director)	6	5	5	Absent	3	4	
6.	Mrs. Rama Murali	Non-Executive Director (Independent Director)	6	3	0	Absent	0	0	
7.	Mr. Ramarao Muralidharan Coimbatore	Non-Executive Director (Independent Director)	6	5	2	Present	0	1	
8.	Mr. M. K. Goel	Non-Executive Director	6	1	10	Absent	0	1	
9.	Mr. Sudhir Kumar (resigned on 16 <sup>th</sup> January, 2012)	Non-Executive Director (Independent Director)	5	-	Not applicable	Absent	Not applicable	Not applicable	
10.	Mr. S. S. Kolhi	Non-Executive Director (Independent Director)	6	6	8	Absent	5	2	
11.	Mr. Neil Kant Arora (Resigned on 11 <sup>th</sup> May, 2011)	Non-Executive Director	0	0	Not applicable	Not applicable	Not applicable	Not applicable	
12.	Mr. Ved Kumar Jain (appointed on 24 <sup>th</sup> October, 2011)	Non-Executive Additional Director (Independent Director)	3	3	6	Not applicable	3	3	

None of the Directors on the Board is a member of more than 10 committees and chairman of more than 5 committees (as prescribed in the Clause 49 of the Listing Agreement), across all the companies in which he/she is a Director.

None of the Directors of the Company are in any way related to each other.

Detail of shareholding of Directors as on 31st March, 2012 are as under:

S. No.	Name of the Director	No. of shares
1.	Mr. T. N. Thakur	7000
2.	Dr. Uddesh Kohli	3500

### Information available to the Board

Detailed Agenda Notes with information as enumerated in the Listing Agreement were circulated in advance to the Board. All the relevant information as mentioned in Clause 49 of the Listing Agreement have been placed before the Board for its consideration. The information regularly supplied to the Board / Board Committees specifically includes:

- Annual budgets and any updates therein.
- Agenda Notes for financing of various Long term and short term projects.

- Quarterly results for the Company.
- Annual Financial Statements of the Company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Any material default in financial obligations to and by the Company or substantial non-payment for services provided by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, if any.
- Details of any joint venture or collaboration agreement.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service.
- Other materially important information.

#### Code of Conduct

The Board of Directors after listing of shares of PFS, in its meeting held on 25th May, 2011 has adopted Code of Conduct for Board Members and Senior Management Personnel. The code is a comprehensive code applicable to all Directors and Members of Senior Management of the Company. It is in alignment with Company's vision and values to achieve the Mission and Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been put on the website of the Company i.e. [www.ptcfinancial.com](http://www.ptcfinancial.com).

Based on affirmation received from Board members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is given below:

#### Declaration:

All the members of the Board members and Senior Management Personnel have affirmed compliance of Code of Conduct for financial year ended on 31st March, 2012.

#### Code for Prevention of Insider Trading

In terms of Securities and Exchange Board of India (Insider Trading) Regulations, 1992; the Company has formulated a comprehensive Code for Prevention of Insider Trading to preserve the confidentiality and to prevent misuse of unpublished price sensitive information. Every Director, officer and designated employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company and not to misuse his or her position or information regarding the Company to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and the consequences of non-compliance. In line with the requirement of Code for Prevention of Insider Trading, trading window was closed from time to time, whenever some price sensitive information was submitted to the Board and other Committees of Directors. Notice of closure of trading window was issued to all the employees well in advance, restraining all the employees not to deal in the shares of the Company when the window is closed.

#### Committees of the Board of Directors

The Board functions either as a full Board or through various Committees constituted to oversee specific areas. The Board of Directors and its Committees meet at regular intervals.

As on 31st March, 2012 the Board had nine (9) committees:

- 1) Audit Committee
- 2) Nomination Committee
- 3) Remuneration Committee

- 4) Shareholders' & Investors' Grievance Committee
- 5) Asset Liability Management Committee
- 6) Risk Management Committee
- 7) Committee of Directors for Bond issuance
- 8) Committee of Directors (for sanction of financial assistance upto Rs. 50 Crores)
- 9) Compensation Committee for ESOP

#### 1. Audit Committee

The role and terms of reference of Audit Committee is in line with the requirements of Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee includes the following:

The powers of the Audit Committee include the following:

- 1 To investigate any activity within its terms of reference.
- 2 To seek information from any employee.
- 3 To obtain outside legal or other professional advice.
- 4 To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of related party transactions.
  - g. Qualifications in the draft audit report, if any.
5. Reviewing with the management the quarterly/ annual financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/ application or funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, if any, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing, with the management, performance of Statutory and Internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function including the appointment and removal of the internal audit firm and frequency of internal audit.
9. Discussion with Internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Carrying out any other functions which may be specified under amendments from time to time as per the Listing Agreement, Companies Act, 1956 and other applicable statute.

The Committee was chaired by Mrs. Rama Murali, Independent Director during the financial year ended 31st March, 2012. The Composition of Audit Committee during the financial year ended 31st March, 2012 and meeting attended by members are as follows:

S. No.	Name of Members	Designation	No. of meetings held	No. of meetings attended during the year
1.	Mrs. Rama Murali	Chairperson	4	3
2.	Mr. P. Abraham*	Member	2	1
3.	Mr. Ramarao Muralidharan Coimbatore	Member	4	4
4.	Mr. Ved Jain#	Member	2	2
5.	Dr. Uddesh Kohli#	Member	2	2

\* Retired by rotation on 28th September, 2011

# Appointed on 24th October, 2011

The Chairperson of the Audit Committee was not present at the last Annual General Meeting held on 28th September, 2011. However, Mr. Ramarao Muralidharan Coimbatore, member of Audit Committee was present at the meeting to answer the queries of the shareholders.

The constitution of Audit Committee is in line with requirement of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement and presently consists of four Non-Executive and Independent Directors.

During the financial year ended 31st March, 2012, 4 meetings of Audit Committee were held on 25th May, 2011; 29th July, 2011; 11th November, 2011 and 25th January, 2012.

CFO, Internal Auditors and Statutory Auditors are permanent invitees at the meetings of the Audit Committee.

## 2. Nomination Committee

The Board originally constituted Nomination cum Remuneration Committee on 5th August, 2008 and subsequently renamed it to its present name on 13th December, 2010. It has been constituted for the purpose of ensuring 'fit and proper' status of proposed/ existing Directors of the Company in terms of RBI guidelines. During the financial year ended 31st March, 2012 three

meetings of the committee were held. During the financial year ended 31st March, 2012, the Committee comprises of the following members:

S.No.	Name of the Director	Designation	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. T. N. Thakur	Chairman	3	3
2.	Dr. Uddesh Kohli @	Member	3	3
3.	Mr. S. S. Kohli @	Member	3	3
4.	Mr. P. Abraham*	Member	1	0
5.	Mr. Ved Jain#	Member	2	2

@ Appointed on 25th May, 2011

\* Retired by rotation on 28th September, 2011

# Appointed on 24th October, 2011

During the financial year ended 31st March, 2012, 3 meetings of Nomination Committee were held on 1st July, 2011; 24th October, 2011 and 28th November, 2011.

During the year, Nomination Committee has recommended the appointment of Dr. Pawan Singh as Director (Finance & CFO) for the approval of the Board. The Board in its meeting held on 7th December, 2011 has approved the appointment of Dr. Pawan Singh as Director (Finance & CFO) as per the recommendation of the Nomination Committee.

## 3. Asset Liability Management Committee

The Asset Liability Management Committee (ALCO) was originally constituted pursuant to Board resolution dated 30th March, 2009. It has been constituted for the purpose of performing functions as required under the Asset Liability Management Policy of the Company. During the financial year ended 31st March, 2012 ALCO comprises of the following members:

S.No.	Name of the Directors	Designation	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. T. N. Thakur	Chairman	4	4
2.	Dr. Ashok Haldia	Member	4	4
3.	Mr. Ramarao Muralidharan Coimbatore @	Member	3	1
4.	Mr. S.S. Kohli #	Member	2	2
5.	Mr. P. Abraham*	Member	1	1

@ Appointed on 25th May, 2011

# Appointed on 24th October, 2011

\* Retired by rotation on 28th September, 2011

The scope of Asset Liability Management Committee includes market risk management and it shall specifically focus on interest rate risk, foreign exchange risk and liquidity risk.

During the year, 4 meetings of Asset Liability Management Committee were held on 25th April, 2011; 28th September, 2011; 21st December, 2011 and 23rd March, 2012.

## 4. Risk Management Committee

The Risk Management Committee was constituted by the Board on 7th July, 2009. It has been constituted under Risk Management Policy of the Company for the purpose of reviewing risk management in relation to various risks, namely, market risk, credit risk, and operational risk and during the financial year ended 31st March, 2012, comprises of the following members:



S.No.	Name of the Directors	Designation	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. S. S. Kohli	Chairman	4	4
2.	Dr. Ashok Haldia	Member	4	4
3.	Mr. Ramarao Muralidharan Coimbatore*	Member	3	1

\* Appointed as member on 29th July, 2011

During the year, 4 meetings of Risk Management Committee were held on 27th June, 2011; 28th September, 2011; 21st December, 2011 and 23rd March, 2012.

#### 5. Shareholders' & Investors' Grievance Committee

The Shareholders' & Investors' Grievance Committee was constituted by Board on 13th December, 2010. During the financial year ended 31st March, 2012 it comprises of the following members:

S.No.	Name of the Directors	Designation	No. of meetings held during the year	No. of meetings attended during the year
1.	Dr. Uddesh Kohli	Member	1	1
2.	Dr. Ashok Haldia	Member	1	1
3.	Mr. Ramarao Muralidharan Coimbatore	Member	1	0

During the year, 1 meeting of Shareholders' & Investors' Grievance Committee was held on 23rd March, 2012. Dr. Uddesh Kohli Chaired the meeting of Shareholders' & Investors' Grievance Committee.

#### Scope and terms of reference:

The Committee has the powers to promptly resolve the complaints of investors such as non-receipt of shares after transfer, non-receipt of declared dividends, non-receipt of balance sheet and other related types of complaints/ queries.

#### Status of Complaints from investors during the financial year ended 31st March, 2012

S. No.	Type of investor	No. of Complaints received during the year	No. of complaints pending as on 31 <sup>st</sup> March, 2012
1	Equity Shareholders	334	-
2	Bondholders	1473	-

#### 6. Remuneration Committee

The Remuneration Committee was constituted pursuant to Board resolution dated 13th December, 2010. During the financial year ended 31st March, 2012 it comprises of the following members:

S.No.	Name of the Directors	Designation
1.	Mrs. Rama Murali	Member
2.	Mr. P. Abraham #	Member
3.	Dr. Uddesh Kohli	Member
4.	Mr. Ved Jain*	Member

# Retired by rotation on 28th September, 2011

\* Appointed on 24th October, 2011

The members shall appoint a Chairman amongst themselves.

During the year, no meeting of Remuneration Committee was held. However, the meeting of Remuneration Committee was held on 9th April, 2012 and the same was chaired by Mrs. Rama Murali.

#### Other related information on remuneration in the Company and sitting fee to Non- Executive Directors

The CMD is not paid any remuneration by the Company and the remuneration of Whole time Directors is fixed component. Notice period of CMD and Whole Time Directors is 3 (three) months.

The Part-time non-executive Directors in PFS are entitled/ paid sitting fee of an amount of Rs. 10,000 per meeting for Board and Committees meeting(s) attended during the financial year ended 31st March, 2012.

#### Scope and terms of reference:

The scope and terms of reference of the Remuneration Committee are in line with the Listing Agreement, provisions of the Companies Act, 1956 and any guidelines / circulars issued by Reserve Bank of India and include determining on behalf of the Board and the shareholders of the Company, the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.

#### 7. Committee of Directors for Issuance of Bonds

The Committee of Directors for issuance of Bonds was originally constituted by Board on 21st August, 2009. It has been constituted for taking the necessary decision related to raising the fund through Bond and other similar purpose of considering and determining the terms and conditions of issuance and allotments of secured non-convertible debentures, the Committee comprises of the following members:

S.No.	Name of the Directors	Designation	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. T. N. Thakur	Chairman	2	2
2.	Dr. Ashok Haldia	Member	2	1
3.	Dr. Uddesh Kohli	Member	2	2

During the year, 2 meetings of Committee of Directors for issuance of Bonds were held 23rd December, 2011 and 30th March, 2012.

During the financial year ended 31st March 2012, the Company has raised Rs. 1596.05 million through issuance of Non-Convertible Infrastructure Bonds. The funds raised by issuance of the said bonds has been utilised for the purpose as specified in the Ministry of Finance circular dated 9th September, 2011.

#### 8. Committee of Directors (for sanction of financial assistance upto Rs. 50 Crores)

The Committee of Directors was constituted by Board on 21st August, 2009. It has been constituted for the purpose of considering and sanctioning debt financing or equity participation or both taken together to a single Company upto Rs. 50 crores, subject to an aggregate limit of overall limit by Rs. 500 crores in a financial year. During the financial year 31st March, 2012 it comprises of the following members:

S.No.	Name of the Directors	Designation	No. of meetings held during the year	No. of meetings attended during the year
1.	Mr. T. N. Thakur	Chairman	5	5
2.	Dr. Ashok Haldia	Member	5	5
3.	Dr. Uddesh Kohli	Member	5	5

During the year, 5 meetings of Committee of Directors were held on 7th July, 2011; 11th August, 2011; 23rd August, 2011; 5th January, 2011 and 12th March, 2012.

#### 9. Compensation Committee for ESOP

The Compensation Committee for ESOP was constituted on 29th April, 2008. It has been constituted for the purpose of preparing and managing an ESOP scheme for the Company.

During the financial year ended 31st March, 2012 the committee comprises of the following members:

S.No.	Name of the Directors	Designation
1.	Mr. T. N. Thakur	Member
2.	Mr. S.S. Kohli	Member
3.	Dr. Uddesh Kohli	Member

The members shall appoint a Chairman amongst themselves.

During the year, no meeting of Compensation Committee for ESOP was held.

For details relating to ESOP refer Note no. 2(c) of the financial statements in the annual report.

#### Annual General Meeting

The details of the last three Annual General Meetings of the Company are as under:

AGM	Date	Day	Time	Location	Special Resolution
5 <sup>th</sup> AGM	28/09/2011	Wednesday	11:30 AM	Dr. Sarvepalli Radhakrishnan Auditorium at Kendriya Vidyalaya No. 2, A.P.S. Colony (Delhi-Gurgaon Road), Delhi Cantt, New Delhi- 110010.	Amendment in Article of Association of the Company to remove the in-operative provisions of Article of Association.
4 <sup>th</sup> AGM	24/09/2010	Friday	5.00 PM	Board Room, 2nd Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi.	Further issue of Equity Shares (Section 81(1A)) of the Companies Act, 1956.
3 <sup>rd</sup> AGM	25/09/2009	Friday	5.00 PM	Board Room, 2nd Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi.	None

#### Subsidiary Companies

The Company does not have any subsidiary company.

#### Disclosures

- (1) There were no materially significant transactions with related parties i.e. promoters, directors, management, subsidiaries or relatives etc. that may have any potential conflict with the interest of the Company. Further, the details of related party transactions are presented in Note no. 28 of the financial statements in the Annual Report.
- (2) There were also no instances of non-compliance on any matter related to the Capital Markets during the last three years. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.
- (3) The Company's Whistle Blower policy is inbuilt system of Grievance Redressal which deals with grievances of employees. Under this system grievances of the employees are redressed effectively. The Company affirms that no personnel have been denied access to the audit committee.
- (4) The Company has fully complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement of the stock exchange relating to Corporate Governance and adopted all suggested items to be included in the Report on Corporate Governance.
- (5) In the preparation of financial statements, the Company has followed the accounting principles in India, the applicable accounting standards notified under section 211(3C) of the Companies Act, 1956, the relevant provisions of the Companies Act, 1956 and the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

#### Remuneration to Directors

The remuneration paid to the Whole-time Directors during the financial year ended 31st March, 2012 is as under:

(Rs. in Million)						
Name of Director	Salary and allowances	Perquisites	Contribution to provident fund	Commission	Total	ESOP
Dr. Ashok Haldia	3.96	1.02	0.21	Nil	5.19	Nil
Dr. Pawan Singh*	0.62	-	0.04	Nil	0.65	Nil

\*Appointed on 1st February, 2012

#### Means of Communication

PFS recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes continuous, efficient and relevant communication to all external constituencies. Quarterly/annual financial results are usually published in financial and national newspapers like Financial Express / Business Standard in English and Jansatta in Hindi. The same are also available on the website of the Company, viz. www.ptcfinancial.com and have also been submitted to stock exchanges as per requirement of the Listing Agreement. The Company also communicates with its institutional shareholders through investor conferences.

All important information pertaining to the Company is also mentioned in the Annual Report of the Company containing inter-alia audited financial statements, Directors' Report, Auditors' Report and Report on Corporate Governance which is circulated to the members and others entitled thereto for each financial year.

#### Registrar & Share Transfer agent

Karvy Computershare Pvt. Ltd.  
Plot No. 17-24  
Vittal Rav Nagar Madhapur  
Hyderabad 500 081.

#### Share Transfer System

The shares under physical segment are transferred through Karvy Computershare Private Limited. It receives the shares to be transferred along with the transfer deed from transferee, verifies it, and prepares the Memorandum of Transfer etc. Pursuant to Clause 49 of the Listing Agreement, a Share Transfer Committee has also been constituted to take note and approve the transfer of shares of the Company.

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### CEO/CFO certification

As required by the revised Clause 49 of the Listing Agreement, the Certificate duly signed by Mr. Tantra Narayan Thakur, Chairman & Managing Director and Dr. Pawan Singh, Director (Finance & CFO) was placed before the Board of Directors at the meeting held on 17th May, 2012.

#### Utilisation of proceeds from Initial Public Offering (IPO)

The details of utilisation of proceeds from IPO upto March 31, 2012 is presented in Note no. 35 of the financial statements to Annual Accounts in the Annual Report.

#### Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

No GDRs/ADRs/Warrants or any Convertible instruments has been issued by the Company, except grant of ESOPs.

## Shareholders' Information

### 1) Annual General Meeting

Date	Time	Venue
21st September, 2012	11:30 A.M.	FICCI Auditorium , 1 Foundation House, Tansen Marg, New Delhi - 110001

### 2) Financial calendar for year ended 31st March, 2012

Particulars	Date
Financial year	1st April, 2011 to 31st March, 2012.
Un-audited financial results for the first three quarters	Un-audited financial results for the first three quarters were announced on 29th July, 2011; 11th November, 2011 and 25th January, 2012.
Annual financial results	17th May, 2012.

### 3) Tentative Financial calendar for year ending 31st March, 2013

Particulars	Date
Un-audited financial results for the first three quarters	Will be announced and published within 45 days from the end of each quarter
Annual financial results	Will be announced and published within 60 days from the end of each financial year

### 4) Date of Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from 8th September, 2012 to 21st September, 2012 (both days inclusive).

### 5) Payment of Dividend

The Board of Directors of your Company has not recommended any dividend for the financial year ended 31st March, 2012.

### 6) Listing on Stock Exchanges

The Company shares are listed on the following stock exchanges:

<b>National Stock Exchange of India Limited (NSE)</b>	Scrip Code: PFS
<b>Bombay Stock Exchange Limited (BSE)</b>	Scrip Code: 533344

The ISIN No.INE560K01014 is allotted to the Company for dematerialisation of shares

The annual listing fees for the financial year ending 31st March, 2013 have been paid to NSE and BSE.

PFS has also issued Non-Convertible debentures and Infrastructure bonds carrying the following ISIN codes:

S.No.	Name	ISIN Code
1.	NCD 1	INE560K07011
2.	NCD 3	INE560K07037
3.	Infra Bond series 1 (option I)	INE560K07045
4.	Infra Bond series 1 (option II)	INE560K07052
5.	Infra Bond series 1 (option III)	INE560K07060
6.	Infra Bond series 1 (option IV)	INE560K07078
7.	Infra Bond series 2 (option I)	INE560K07086
8.	Infra Bond series 2 (option II)	INE560K07094
9.	Infra Bond series 2 (option III)	INE560K07102
10.	Infra Bond series 2 (option IV)	INE560K07110

## 7) Market Price Data

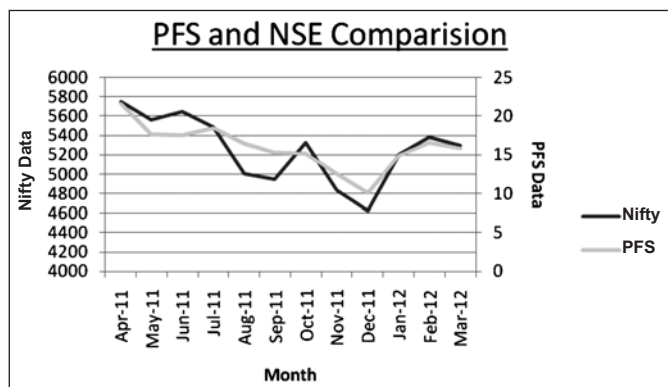
### NSE

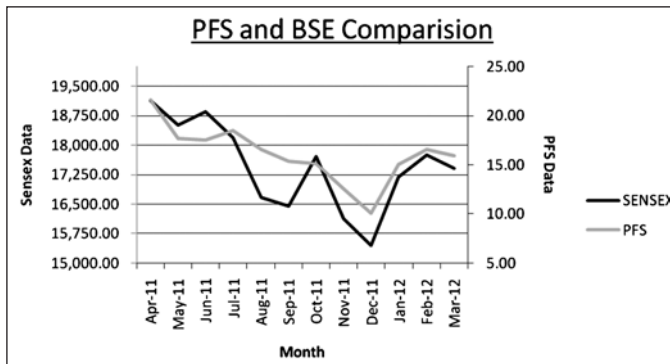
Month	High(Rs.)	Low(Rs.)	Close(Rs.)
April, 2011	25.00	21.40	24.10
May, 2011	21.85	17.05	21.25
June, 2011	19.00	16.00	18.80
July, 2011	23.55	17.10	19.60
August, 2011	18.90	14.00	18.45
September, 2011	17.50	15.15	16.60
October, 2011	16.60	14.90	16.50
November, 2011	15.75	11.00	15.20
December, 2011	12.90	9.20	12.35
January, 2012	18.25	10.00	16.60
February, 2012	18.00	13.75	16.60
March, 2012	17.10	14.70	16.45

### BSE

Month	High(Rs.)	Low(Rs.)	Close(Rs.)
April,2011	25.75	21.40	24.10
May,2011	21.75	17.00	21.25
June,2011	19.05	15.90	18.90
July,2011	20.85	16.95	19.65
August,2011	19.00	16.05	18.30
September,2011	17.40	15.10	16.70
October,2011	16.50	14.75	16.40
November,2011	16.00	12.50	15.15
December,2011	12.85	9.70	12.69
January, 2012	18.05	10.03	16.64
February, 2012	17.50	13.85	16.60
March, 2012	17.20	14.70	16.45

### 8) Performance in comparison to indices





### 9) Registrar and Transfer Agents

#### For Equity and Infrastructure Bonds (Series 1 & 2)

##### Registered Office

Karvy Computershare Private Limited  
"Karvy House",  
46, Avenue 4,  
Street No. 1, Banjara Hills,  
Hyderabad 500034, India  
Tel: +91 40 23312454  
Toll Free: 1800 4258282  
Fax: +91 40 23311968

##### Communication Address

17-24, Vittal Rao Nagar,  
Madhapur,  
Hyderabad-500 081  
Andhra Pradesh, India  
Tel: +91 40 23420815-28  
Fax: +91 40 23420814/59  
E-mail: einward.ris@karvy.com  
Website: www.karvycomputershare.com

#### For Non-Convertible Debentures (Series 1 & 3)

##### MCS Limited

Sri Venkatesh Bhavan,  
W-40, Okhla Industrial Area Phase II,  
New Delhi  
Tel No. 011 - 41406149  
Fax No. 011 - 41709881  
E-mail: - admin@mcsdel.com  
Website: www.mcsdel.com

### 10) Distribution of shareholding

- Distribution of shareholding as on 31st March, 2012

S. No.	Category	No. of Cases	% of Cases	Amount (Rs. in lacs)	% of Amount
1	1 - 5000	29546	64.00	519.88	0.92
2	5001 - 10000	6364	13.79	571.47	1.02
3	10001 - 20000	4240	9.18	700.96	1.25
4	20001 - 30000	1386	3.00	366.46	0.65
5	30001 - 40000	1942	4.21	693.39	1.23
6	40001 - 50000	509	1.10	243.64	0.43
7	50001 - 100000	1659	3.59	1,177.85	2.10
8	100001 & Above	523	1.13	51,934.68	92.40
	<b>Total:</b>	<b>46169</b>	<b>100.00</b>	<b>56,208.33</b>	<b>100.00</b>

- Shareholding pattern as on 31st March, 2012

S. No	Description	No. of Cases	Total Shares	% Equity
1	Promoters	1	337250001	60.00
2	Banks	5	6895486	1.23
3	Clearing members	121	573629	0.10
4	Foreign institutional investors	20	119971222	21.35
5	HUF	818	2236418	0.40
6	Insurance companies	2	15340277	2.73

S. No	Description	No. of Cases	Total Shares	% Equity
7	Bodies corporates	528	20292479	3.61
8	Mutual funds	2	9006817	1.60
9	Non residents	442	2041001	0.36
10	Resident individuals	44229	48473355	8.62
11	Trusts	1	2650	0.00
	<b>Total:</b>	<b>46169</b>	<b>562083335</b>	<b>100.00</b>



### 11) Dematerialization of shares

Number of shares held in dematerialized and physical mode as on 31st March, 2012.

S. No	Category	No. of cases	Total Shares	% To Equity
1	Physical	10709	20526	0.00
2	N S D L	23982	544892617	96.94
3	C D S L	11478	17170192	3.06
	<b>Total</b>	<b>46169</b>	<b>562083335</b>	<b>100.00</b>

#### Details of "PTC India Financial Services Limited - IPO - Unclaimed Shares Demat Suspense Account" (account opened and maintained after IPO):

Opening Balance (as on 01.04.2011)		Requests Received and Disposed Off During FY 2011-2012		Closing Balance (as on 31.03.2012)	
Cases	Shares	Cases	Shares	Cases	Shares
03	1500	0	0	03	1500

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

- 12) The status of non-mandatory requirements as specified in Annexure ID of the Clause 49 of the Listing Agreement is given in Annexure I.

#### Address and Details for correspondence

Mr. Vishal Goyal  
Company Secretary and Compliance Officer  
PTC India Financial Services Ltd.  
Registered Office  
2nd Floor, NBCC Tower,  
15 Bhikaji Cama Place,  
New Delhi- 110 066  
Tel: +91 11 41595122  
Fax: +91 11 41659144  
E-mail: complianceofficer@ptcfinancial.com



## Annexure I

### Non-Mandatory Requirements

The status of non-mandatory requirements of Clause 49 of the Listing Agreement is as follows:

1. **The Board:** The Company is headed by an executive Chairman. None of the Independent Directors on the Board of the Company has been appointed for a period exceeding, in aggregate, a period of nine (9) years.
2. **Remuneration Committee:** The payment of remuneration of Directors is decided by Remuneration Committee headed by an Independent Director.
3. **Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading "Means and Communication" of the Corporate Governance report and also displayed on the website of the Company. These results are not separately circulated to the shareholders.
4. **Audit Qualifications:** The Auditor has given unqualified report for the financial year ended March 31, 2012.
5. **Training to Board members:** Various seminars, conferences, training programmes etc. are attended by the executive Board members from time to time.
6. **Mechanism for evaluating non-executive Board members:** Not yet adopted by the Company.
7. **Whistle Blower Policy:** The Company's Whistle Blower policy is in-built in the system of grievance redressal which deals with grievances of employees. A suggestion box has also been kept at the registered office of the Company. All the employees of the Company are encouraged to bring to the Managements notice concerns about suspected unethical behaviour, malpractice, wrongful conduct, fraud and violation of Company's policies without fear of reprisal.

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Industry Scenario

Indian economy is the eleventh largest in the world by nominal GDP and third largest by purchasing power parity (PPP) with an estimated GDP of US\$4.457 trillion during 2011. The per capita annual domestic electricity consumption in India in 2009 was around 96 kWh in rural areas and 288 kWh in urban areas for those with access to electricity, compared to the global per capita consumption of 2600 kWh and 6200 kWh in the European Union. The country currently suffers from a shortage of electricity generation capacity despite being world's fourth largest energy consumer. Transmission and Distribution losses exceeded 32% in 2010 including non-technical losses, compared to world average of less than 15%. The country has been facing growing shortages of power which increased to about 84 billion kWh (10.1%) during the year 2009-10 and the peak deficit during the same year was about 15,157 MW (12.7%).

The country is among the fastest growing economies globally, and has grown at an average rate of more than 7.0%. Higher growth is required in the infrastructure sector to keep pace with the growing GDP. Realizing the need, the Central as well as the various State governments have given increasing emphasis on accelerating infrastructure development. According to 17th Electric Power Survey (2007), the energy requirement in the country is projected to grow at a CAGR of 7.5% during 12th plan period reaching from 9,68,658 Giga Watt hour (Gwh) in FY 2012 to 13,92,065 Gwh by FY 2017, while peak load requirement is projected to grow from 1,57,324 MW in FY 2012 to 2,23,660 MW in FY 2017 at a CAGR of 7.4%. Ministry of Power and Central Electricity Authority (CEA) have projected a total investment requirement in excess of Rs. 11 trillion for the power sector during the 12th Plan period.

Despite the challenges such as management and execution of power projects, availability of fuel, land acquisition, environmental clearances, financial

condition of State Power Utilities, the investment climate in the power sector has witnessed higher investment flows than envisaged. During the 12th Five Year Plan, the main sources of financing are expected to be commercial banks, public financial institutions, dedicated infrastructure/power finance institutions, insurance companies, overseas markets, bilateral/multilateral credit, bond markets and equity markets. In addition, steps have been taken by Government to make available funds through Credit Enhancement Schemes and Infrastructure Debt Fund etc.

#### Financial and Operational Performance

The year 2011-12 saw a shift in the composition of income of PFS. Total income increased to Rs. 3071.99 million in 2011-12 from Rs. 1,088.52 million in 2010-11 whereas operating income increased to Rs. 3,066.39 million in 2011-12 from Rs. 1,088.28 million, recording a growth of 182%. A significant increase in the income resulted from the divestment of equity investments in 2 companies which resulted in a gain of Rs. 1,272.43 million during 2011-12. The proportion of such income to total income increased from 11% in 2010-11 to 41% in 2011-12. Profit before Tax (PBT) of the Company has increased from Rs. 514.31 million in 2010-11 to Rs. 2,016.41 million in 2011-12 recording a growth of 292%. Similarly, Profit after Tax (PAT) increased by 316%, from Rs. 370.27 million in 2010-11 to Rs. 1540.42 million in 2011-12. The above position is after consideration of the following:

- (i) Finance costs for the year 2011-12 includes Rs. 41.90 million as a onetime expense incurred for raising funds through ECBs, the benefit of which shall be available in coming years.
- (ii) Provision for diminution in non-current unquoted trade investment in equity shares amounting to Rs. 43.90 million made during the year.
- (iii) Loss on foreign currency translation amounting to Rs. 12.13 million.
- (iv) Provision for contingencies amounting to Rs. 46.30 million made during 2011-12 on standard assets in accordance with the requirements of Reserve Bank of India vide RBI Circular No. DNBS.PD.CC.No.207/03.02.002 /2010-11 dated 17th January, 2011. Though the RBI stipulates the provision equivalent to 0.25%, the Board of Directors of the Company has decided to create a provision equivalent to 0.50% of the standard assets.

Total expenditure during the year 2011-12 increased to Rs. 1,055.58 million from Rs. 574.21 million in 2010-11. Finance costs increased to Rs. 686.12 million during 2011-12 from Rs. 443.76 million during 2010-11. Employee benefits expense increased to Rs. 44.14 million during 2011-12 from Rs. 18.40 million in 2010-11 and other expenses increased to Rs. 237.24 million in 2011-12 from Rs. 57.54 million in 2010-11.

The amount of loan sanctioned during 2011-12 aggregated to Rs. 36,923 million compared to Rs. 17,030 million in 2010-11. The level of disbursement of debt was Rs. 6,241.75 million during the year compared to Rs. 6,236.64 million during the previous year. A large portion of equity of PFS was already committed and disbursed in the equity investments as at the beginning of the year 2011-12. As a result, the amount of disbursement of equity during the year was lower at Rs. 224.62 million. Effective commitments for debt as at 31st March, 2012 were Rs. 58,364 million compared to Rs. 33,649 million as at 31st March, 2011.

The number of new projects for which financial assistance was sanctioned during the year was 28 taking the total number of sanctioned projects till 31st March, 2012 to 90. The financial assistance sanctioned by PFS so far would help capacity creation of more than 24,000 MW. Fuel wise assisted projects during the year comprised of 11 coal-based thermal projects, 1 biomass-based project, 3 hydro-based projects, 4 solar based project, and 5 wind-based projects.

The Company has complied with all the norms prescribed by the Reserve Bank of India including the Fair Practices, AML/CFT & Know Your Customer (KYC) guidelines and also all mandatory accounting standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

## Risk Management

Risk management is a central part of PFS's strategic management. Being a financial institution, the Company is exposed to risks that are particular to its lending and investment activities and the environment within which it operates. PFS' goal in risk management is to ensure that it understands, measures and monitors various risks that arise and that the organization adheres to the policies and procedures which are established to address these risks.

PFS has, along with ICRA Management Consulting Services, developed various policies, guidelines for risk management. A software based Credit Rating Model to facilitate internal rating based approach for rating of borrowers and projects has also been developed. The Company follows standard processes and procedures for its various activities. A risk based internal audit function is undertaken by an independent external party to validate the implementation of the various policies and procedures.

## Risk Organisation

Though the Board has the overall responsibility of risk management, there are two committees of the Board which take care of managing overall risk in the organization. In accordance with the RBI guidelines to enable NBFCs to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO). ALCO takes care of the liquidity risk, interest rate risk and foreign currency risk while Risk Management Committee looks after the overall risk of the organization with specific focus on credit risk and operational risk. In assessment of risk of credit proposals, PFS follows a multiple layer approach wherein the credit approval note prepared by appraisal officers and the internal rating assigned to a proposal is reviewed by an independent risk management team. The rating as well as approval note is further reviewed by whole time directors before being presented to the approving authority.

PFS has engaged well known and experienced consulting firms to support in the development of Risk Management Framework as well as to provide continuous support for the sound risk management practices.

## Risk Management and other Policies

PFS has put in place a comprehensive policy framework for management of risks. The policies include -

- **Credit Risk Management Policy:** - Credit risk management policy provides for identification and assessment of credit risk, assessment and management of portfolio credit risk, and risk monitoring and control. The issues relating to the establishment of exposure limits for various categories, for example, based on geographical regions, fuel, industry wise, rating wise are also covered. The policy also deals with rating models aiming at high quality, consistency and uniformity in the appraisal of proposals.
- **Asset Liability Management Policy:** - The objectives of Asset Liability Management Policy are to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.
- **Foreign Exchange Risk Management Policy:** - The policy covers the management of foreign exchange risk related to existing and future foreign currency loans or any other foreign exchange risks derived from borrowing and lending. The objective of the policy is to serve as a guideline for transactions to be undertaken for hedging of foreign exchange related risks. It also provides guiding parameters within which the Asset Liability Management Committee can take decisions for managing the above mentioned risks.

- **Interest Rate Policy:** - Interest rate policy provides for risk based pricing of the debt financing by the Company. It provides the basis of pricing the debt and the manner in which it can be structured to manage credit risk, interest rate risk and liquidity risk, while remaining competitive.
- **Policy for Investment of Surplus Funds:** - The policy of investment of surplus funds i.e. treasury policy provides the framework for managing investment of surplus funds. Realizing that the purpose of mobilization of resources in the Company is to finance equity as well as loans to power sector projects, the prime focus is to deploy surplus funds with a view to ensure that the capital is not eroded and that surplus funds earn optimal returns.
- **Operational Risk Management Policy:** - The operational risk management policy recognizes the need to understand the operational risks in general, and those in specific activities of the Company. Operational risk management is not understood as a process of eliminating such risk but as a systematic approach to manage such risk. It seeks to standardize the process of identifying new risks and designing appropriate controls for these risks, minimize losses and customer dissatisfaction due to possible failure in processes.

Apart from these policies there are various guidelines to help understand and mitigate different kinds of other risks. These include, guidelines for financing bio-mass projects, guidelines for financing CERs, operational guidelines for debt financing, KYC Guidelines and the like.

## Credit Risk Rating Model

The Company has developed internal risk grading software in consultation with ICRA Management Consulting Services Limited (IMaCS). Though IMaCS had the standard power project model, PFS team has customized the rating model using its domain expertise. All the proposals are rated on the rating model. There are separate rating models for balance sheet funding and SPV funding. The model is an expert judgment model wherein each proposal is evaluated on more than 100 parameters to arrive at a rating score. The model has 5 rating grades out of which only first 4 are investment grade. The interest rate offered to borrower is also dependent on the rating score.

## Environmental and Social Management System

Environmental and social issues have become a key element of management decision making in the financial sector worldwide. In order to avoid and minimize risks related to investments and long-term lending and to increase the opportunities for sustainability, it has become an international best practice to develop, implement and maintain adequate policies and procedures in the form of an Environmental and Social Management System (ESMS). As the Environment and Social (E&S) regulations tend to become stricter over time with growing awareness and appreciation of E&S issues among general masses, many international financial institutions (FIs) demand E&S performance evaluation and monitoring side by side with credit risk evaluation, monitoring and reporting.

PFS has adopted an Environmental and Social Management System (ESMS) appropriate to its applicable investment portfolio of projects. Specifically, the type of projects to be included within this ESMS would be wind energy, small hydro power projects, solar PV and solar thermal projects, agri-to-bio-fuel projects and biomass-to-energy projects (including biogas projects). The ESMS at PFS has also been approved by International Financial Institutions like DEG and IFC.

## Monitoring Mechanism

To monitor the status of funded projects, there is a robust monitoring mechanism put in place. There are separate teams for monitoring of equity and of debt projects. While monitoring of equity investments is carried out by the portfolio managers only, there is a separate team for monitoring of debt projects.

For equity investments, there is online reporting software through which information about investee companies is received on a periodic basis. Further, a detailed status report on investments is presented periodically in

the Management Information System (MIS) to whole time Directors. In all of the investee companies, PFS has Nominee Director on their Board who keep the company informed about various important decisions taken by the investee companies. Further, through early warning signal system, critical parameters related to financial, technical, regulatory, management and other aspects of the projects are continuously monitored.

A status report on both debt and equity projects is also presented to the Board of Directors of PFS periodically (at least quarterly) to ensure that directors are kept informed about the developments in the projects especially about any areas of concerns.

#### **Outlook**

As stated earlier, power sector requires huge investment. PFS has emerged as an organization exclusively devoted to the sector. The Company expects to continue to maintain the growth momentum. Despite facing challenges, the Company constantly endeavors to find the opportunities in those challenges.

Interest rates have risen in last few quarters and despite, banks increasing their base rates during FY 2011-12, PFS has been able to maintain its overall cost of borrowings. The Company will continue to broad-base its sources of funding and pursue the banks and other lenders for lowering the spread charged from PFS for on-lending. Starting from borrowing from the banks under the Line of Credit, PFS progressed to raise funds through issuance of NCDs, Infrastructure Bonds, and ECB from bilateral and multilateral institutions at very competitive rates. The power sector currently also faces serious concerns on account of financial health of distribution companies, availability of the domestic coal, limitations on import of coal, delays in land acquisition and obtaining clearances. Many of the projects have faced problems in timely financial closure and project implementation. These factors may have impact on slowing down the implementation of private power projects and consequently credit off-take.

Macro level issues relating to the health of the distribution companies and the availability of coal have initiated intervention by the Government of India and the Prime Minister's Office is directly reviewing the coal availability situation and has even directed Coal India Limited to sign fuel supply

agreements with generation companies. Ministry of Power is working on a loan restructuring programme spread over three to seven years for state electricity utilities and banks have been stipulating tougher conditions such as timely tariff revision, reduction in T&D losses, on loans to these companies. PFS seeks to address these and other implementation risks, by remaining cautious during due-diligence process.

Linkages with PTC would continue to help PFS by way of easy access to pipeline of projects for financing and domain expertise of PTC in power sector. This apart, PFS has developed strong linkages with the banks, financial institution, project developers, multilateral, bilateral institutions, equity funds, and the like, which would help in further development of business. PFS has put in place a comprehensive risk management framework and is continuously working to upscale the same to match the organizational and operational growth. PFS is not only a multi-product company but is also highly customer-focused. PFS applies a distinctive approach in structuring the financial products. Being customer-focused, emphasis is on understanding of the risks and mitigation measures required in the context of the specific needs of the project. Ensuring quality in servicing while financing power projects is the hall-mark of PFS's business strategy, operational framework and HR practices.

PFS has enhanced its focus on renewable energy as these projects do not have significant fuel and environmental clearance risks, and receive regulatory, fiscal and non-fiscal support. It has also started focusing on newer areas in the energy value chain including financing for equipment manufacturing, EPC contracts in transmission sector, ports and working capital needs. PFS has also started exploring opportunities for portfolio take-over as various commercial banks are exhausting their exposure limits for the power sector, and buy-out financing.

#### **Cautionary Note**

Certain statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook.



**AUDITOR'S CERTIFICATE ON THE COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**TO THE MEMBERS OF PTC INDIA FINANCIAL SERVICES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **PTC India Financial Services Limited** for the year ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Registration No.015125N)

Sd/-  
**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

GURGAON, July 30, 2012

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To  
**The Board of Directors**  
**PTC India Financial Services Limited**

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Companies affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2011-12 which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of internal control system of the Company and we have disclosed to the auditors and audit committee, deficiencies in the design or operation of the internal control system (if any), of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee -
  - i. Significant changes in internal control during the year.
  - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements, and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee have significant role in the company's internal control systems.

Sd/-  
**(Dr. Pawan Singh)**  
Director (Finance & CFO)  
DIN : 00044987

Sd/-  
**(T.N. Thakur)**  
Chairman & Managing Director  
DIN : 00024322

Date: 17th May, 2012  
Place: New Delhi



## AUDITOR'S REPORT

1. We have audited the attached Balance Sheet of PTC India Financial Services Limited ("the Company") as at March 31, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
- (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
  - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Registration No. 015125N)

**Sd/-**  
**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

Date : May 17, 2012  
Place : Gurgaon

## ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

Having regard to the nature of the Company's business/activities during the year, clauses (ii), (viii) and (xiii) of Companies (Auditor's Report) Order, 2003 (hereinafter referred as the Order) are not applicable.

- (i) In respect of its fixed assets
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (iii) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of goods and services. There are no purchases of inventory during the year. During the course of our audit, we have not observed any major weakness in such internal control system.
- (iv) According to the information and explanations given to us, there were no contracts, arrangements or transactions that were required to be entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and Companies (Acceptance of Deposits) Rules, 1975.

- (vi) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including provident fund, income-tax, service tax and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of these dues as at March 31, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess, which have not been deposited.
- (viii) The Company does not have accumulated losses at the end of the current financial year has not incurred cash losses in the current financial year and in the immediately preceding financial year
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (x) In our opinion, the Company has maintained adequate records where it has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xi) Based on our examination of the records and evaluation of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in shares securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name.
- (xii) According to the information and explanations given to us, the Company has not given any guarantees during the year for loans taken by others from banks or financial institutions.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xv) According to the information and explanations given to us, the Company has not made preferential allotment of shares during the year.
- (xvi) According to the information and explanations given to us, the Company has not issued any debentures during the year.
- (xvii) We have verified the end use of money raised by way of initial public offer disclosed by the management in note no. 35 of the financial statements.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Registration No. 015125N)

Sd/-  
**Jaideep Bhargava**  
Partner  
(Membership No. 090295)

Date : May 17, 2012  
Place : Gurgaon

## BALANCE SHEET AS AT MARCH 31, 2012

(₹ in lacs)

Particulars	Note	As at March 31, 2012	As at March 31, 2011
<b>1. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	56,208.33	56,208.33
(b) Reserves and surplus	3	60,987.95	45,561.04
		<b>117,196.28</b>	<b>101,769.37</b>
<b>2 Non current liabilities</b>			
(a) Long-term borrowings	4	68,796.70	46,532.94
(b) Deferred tax liabilities (net)	5	503.58	498.72
(c) Long-term provisions	6	672.92	202.24
		<b>69,973.20</b>	<b>47,233.90</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	2,810.00	-
(b) Trade payables	8	656.70	1,127.22
(c) Other current liabilities	9	5,793.89	19,764.51
(d) Short-term provisions	10	0.86	0.88
		<b>9,261.45</b>	<b>20,892.61</b>
<b>TOTAL</b>		<b>196,430.93</b>	<b>169,895.88</b>
<b>II. ASSETS</b>			
<b>1 Non current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	2,572.05	3,003.06
(ii) Intangible assets	11	10.49	13.14
		<b>2,582.54</b>	<b>3,016.20</b>
(b) Non-current investments	12	42,110.14	46,365.14
		<b>42,110.14</b>	<b>46,365.14</b>
(c) Long-term loans and advances	13	108,608.26	62,354.12
(d) Other non-current assets	14	2,208.09	-
		<b>110,816.35</b>	<b>62,354.12</b>
<b>2 Current assets</b>			
(a) Trade receivables	15	62.28	48.26
(b) Cash and cash equivalents	16	19,812.98	48,347.56
(c) Short-term loans and advances	17	14,674.14	7,649.85
(d) Other current assets	18	6,372.50	2,114.75
		<b>40,921.90</b>	<b>58,160.42</b>
<b>TOTAL</b>		<b>196,430.93</b>	<b>169,895.88</b>
See accompanying significant accounting policies and notes to accounts			

The notes referred to above form an integral part of the Financial statement

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

For and on behalf of the Board of Directors

Jaideep Bhargava  
Partner

T. N. Thakur  
Chairman & Managing Director  
DIN: 00024322

Dr. Pawan Singh  
Director & CFO  
DIN : 00044987

Vishal Goyal  
Company Secretary

Place : Gurgaon  
Date : May 17, 2012

Place : New Delhi  
Date : May 17, 2012

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH, 31, 2012

(₹ in lacs)

Particulars	Note	As at March 31, 2012	As at March 31, 2011
I. Revenue from operations	19	30,663.93	10,882.85
II. Other income	20	56.01	2.38
III. <b>Total revenue (I + II)</b>		<b>30,719.94</b>	<b>10,885.23</b>
IV. Expenses:			
Cost of certified emission reduction units		413.80	-
Employee benefits expense	21	441.37	184.01
Finance costs	22	6,861.22	4,437.61
Depreciation and amortisation expense	11	467.04	545.12
Other expenses	23	2,372.39	575.36
<b>Total expenses</b>		<b>10,555.82</b>	<b>5,742.10</b>
V. <b>Profit before tax (III- IV)</b>		<b>20,164.12</b>	<b>5,143.13</b>
VI. Tax expense :			
- Current tax		4,755.00	1,031.10
- Deferred tax charge		4.86	409.30
VII. <b>Profit for the year (V - VI)</b>		<b>15,404.26</b>	<b>3,702.73</b>
Earnings per equity share:			
- Basic		2.74	0.85
- Diluted		2.74	0.85
<b>See accompanying significant accounting policies and notes to accounts</b>			

The notes referred to above form an integral part of the Financial statement

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

For and on behalf of the Board of Directors

**Jaideep Bhargava**  
Partner

**T. N. Thakur**  
Chairman & Managing Director  
DIN: 00024322

**Dr. Pawan Singh**  
Director & CFO  
DIN : 00044987

**Vishal Goyal**  
Company Secretary

Place : Gurgaon  
Date : May 17, 2012

Place : New Delhi  
Date : May 17, 2012

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

(₹ in lacs)

	Particulars	As at March 31, 2012	As at March 31, 2011
(A)	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit before tax	20,164.12	5,143.13
	<b>Adjustment for:</b>		
	Depreciation and amortisation expense	467.04	545.12
	Interest others	-	(0.03)
	Provision for diminution in non-current unquoted trade investment	439.00	-
	Contingent provision against standard assets	463.02	177.74
	Loss on foreign currency translation	121.32	-
	Employee stock options expense	22.65	(77.70)
	Loss on sale of fixed assets	-	0.36
	Finance costs	6,861.22	4,437.61
	<b>Operating profit before working capital changes</b>	<b>28,538.37</b>	<b>10,226.22</b>
	<b>Adjustments for changes in working capital</b>		
	Change in trade receivables	(14.02)	(48.15)
	Changes in other loans and advances and other assets	63.48	(2,405.89)
	Change in loan financing (net)	(59,051.47)	(40,938.67)
	Change in investments	3,816.00	(5,641.65)
	Change in trade and other payables	451.91	146.22
	Bank balances not considered as cash and cash equivalents In deposit accounts	(5,435.05)	(6,658.00)
	<b>Cash generated from operations</b>	<b>(31,630.78)</b>	<b>(45,319.92)</b>
	Direct taxes paid (net)	(4,642.30)	(1,340.69)
	<b>Net cash generated from operating activities</b>	<b>(36,273.08)</b>	<b>(46,660.60)</b>
(B)	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of fixed assets	(33.43)	(55.15)
	Proceeds from sale of fixed assets	0.05	0.08
	Interest others	-	0.03
	<b>Net cash used in investing activities</b>	<b>(33.38)</b>	<b>(55.04)</b>
(C)	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of fresh equity shares (including share premium)	-	35,270.32
	Received pursuant to sale of equity shares of Macquarie India Holdings Ltd	-	8,077.60
	Payment of sale of equity shares of Macquarie India Holdings Ltd	(8,077.60)	-
	Equity shares application money refundable	-	139.28
	Payment of share application money	(136.94)	-
	Issue expenses paid	(930.62)	(205.98)
	Proceeds from long term borrowings	35,013.24	28,367.36
	Repayments of long term borrowings	(19,774.94)	-
	Proceeds/(repayment) from/ to short term borrowings	2,810.00	(2,460.00)
	Finance costs	(6,566.31)	(4,230.76)
	<b>Net cash used in financing activities</b>	<b>2,336.83</b>	<b>64,957.82</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(33,969.63)</b>	<b>18,242.18</b>
	<b>Opening cash and cash equivalents</b>	<b>41,689.56</b>	<b>23,447.38</b>
	<b>Closing cash and cash equivalents (refer notes below)</b>	<b>7,719.93</b>	<b>41,689.56</b>

Particulars		As at March 31, 2012	As at March 31, 2011
1	<b>Notes:</b> <b>Closing cash and cash equivalents comprise :</b> Balance with banks: (i) In current accounts (ii) In deposit accounts (maturity within three months) (iii) In earmarked accounts * - received on behalf of Macquarie India Holdings Limited lying in escrow account - unclaimed share application money lying in escrow account	  1,857.53 5,860.05 - 2.35	  3,274.02 30,198.66 8,077.60 139.28
<b>Total</b>		<b>7,719.93</b>	<b>41,689.56</b>

\* The Company can utilise earmarked balances only towards settlement of the respective liabilities.

- Figures in bracket indicate cash outflow.
- The above cash flow statement has been prepared under the indirect method set out in AS-3 notified under Companies (Accounting Standard) Rules, 2006 Section 211(3C) of the Companies Act, 1956.
- Previous year figures have been regrouped and recast wherever necessary to conform to the current year's classification.

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

For and on behalf of the Board of Directors

Jaideep Bhargava  
Partner

T. N. Thakur  
Chairman & Managing Director  
DIN: 00024322

Dr. Pawan Singh  
Director & CFO  
DIN : 00044987

Vishal Goyal  
Company Secretary

Place : Gurgaon  
Date : May 17, 2012

Place : New Delhi  
Date : May 17, 2012

## PTC India Financial Services Limited

### Notes forming part of the financial statements

#### 1 Significant accounting policies

##### 1.1 Background

PTC India Financial Services Limited (“PFS”) is a registered NBFC with Reserve Bank of India and has been awarded the Infrastructure Finance Company (IFC) status by RBI. PFS is set up with an objective to provide total financing solutions to the energy value chain which includes investing in equity or extending debt to power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

##### 1.2 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for deferral of foreign exchange fluctuation as more fully described in Note 36.

##### 1.3 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### 1.4 Depreciation and amortization

Depreciation has been provided on a pro-rata basis from the day the assets are put to use at written down value as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except for assets costing less than 5,000 each which are fully depreciated in the year of capitalization.

Intangible assets comprising of software are amortised on a straight line method over their estimated useful life not exceeding five years.

##### 1.5 Revenue recognition

- Interest and other dues are accounted on accrual basis.
- Dividend is accounted when the right to receive is established.
- Fee based incomes are recognized when reasonable right of recovery is established and the revenue can be reliably measured.
- Revenue from power supply is accounted on accrual basis.

##### 1.6 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

##### 1.7 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises

its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

##### 1.8 Foreign currency transactions and translations

###### Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction

###### Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

###### Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are amortised on settlement / over the maturity period thereof. The unamortised balance is carried in the Balance Sheet as “Foreign currency translation reserve account”.

###### Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

##### 1.9 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include, acquisition charges such as brokerage, fees and duties.

##### 1.10 Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

###### Defined contribution plans.

The Company's contribution to provident funds is considered as defined contribution plans and is charged as an expense as it falls due based on the amount of contribution required to be made.

###### Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation.

###### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected



to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

#### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

#### **1.11 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

#### **1.12 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws

enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

#### **1.13 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Contingent Provision against standard assets represents a general provision at 0.50% of the outstanding assets in accordance with the RBI guidelines.

#### **1.14 Derivative contracts**

The Company enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.



## PTC INDIA FINANCIAL SERVICES LIMITED

### Notes to accounts

#### 2. Share capital

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
Authorized:		
1,000,000,000 (previous year 1,000,000,000) equity shares of ₹ 10 each	100,000.00	100,000.00
<b>Issued, subscribed and paid up:</b>		
562,083,335 (previous year 562,083,335) equity shares of ₹ 10 each fully paid up	56,208.33	56,208.33
	<b>56,208.33</b>	<b>56,208.33</b>

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held.

- a) The details of shareholders holding more than 5% shares is set out below:

Name of the shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of shares	% to total	No. of shares	% to total
PTC India Limited*	337,250,001	60.00	337,250,001	60.00
GSStrategicInvestments Limited	48,666,667	8.66	48,666,667	8.66

\*Holding company by virtue of holding more than one-half of equity share capital.

- b) The reconciliation of the number of shares outstanding is set out below :

Particulars	As at March 31, 2012		As at March 31, 2011	
	No. of shares	(₹ in lacs)	No. of shares	(₹ in lacs)
Number of shares at the beginning of the year	562,083,335	56,208.33	434,583,335	43,458.33
Add: Addition during the year	-	-	127,500,000	12,750.00
Number of shares at the end of the year	562,083,335	56,208.33	562,083,335	56,208.33

#### c) Employee stock options plan

The Company instituted the Employee Stock Option Plan - ESOP 2008 to grant equity based incentives to all its eligible employees. During the year ended March 31, 2009, the first tranche of ESOP was approved by the shareholders on October 27, 2008 and the Company granted two types of options i.e. Growth options granted to the employees and exercisable at intrinsic value as on the date of grant as certified by an independent valuer and Founder Member Options exercisable at face value of shares i.e. ₹ 10 per share, representing one share for each option upon exercise. Further, during the year ended March 31, 2010, second tranche of ESOP 2008 was approved by the shareholders on October 23, 2009 and provided for grant of 10,075,000 growth options exercisable at a price of ₹ 16 per share, representing one share for each option upon exercise. The maximum tenure of vesting period of these options granted is 4 years from the respective date of grant.

Movement in Stock Options	Year ended		Year ended	
	31.03.2012		31.03.2011	
	(in Nos.)		(in Nos.)	
	Growth Options	Founder Member Options	Growth Options	Founder Member Options
Outstanding at the beginning of the year	4,447,100	10,000	18,395,500	1,210,000
Less: Forfeited/ surrender during the year	64,500	-	13,948,400	1,200,000
Options outstanding as at the end of the year	4,382,600	10,000	4,447,100	10,000

The fair value of each stock option granted under ESOP 2008 as on the date of grant has been computed using Black-Scholes Option Pricing Model without inclusion of Dividend Yield and the model inputs are given as under:

	Options granted during the year ended March 31, 2010	Options granted during the year ended March 31, 2009	
	Growth Options	Growth Options	Founder member Options
Price Per Option ₹	16	16	10
Volatility	29.64%	73.60%	73.60%
Risk Free Rate of Interest	7.27%	7.00%	7.00%
Option Life (years)	5	5	5
Fair Value Per Option	10.55	11.36	12.76

There is no history of dividend declaration by the Company, hence the dividend yield has been assumed as Nil. (also refer note 25)

#### 3. Reserves and surplus

Particulars	As at	
	March 31, 2012	As at March 31, 2011
<b>Securities premium account</b>		
Opening balance	38,423.57	16,622.95
Add: Premium of equity shares	-	22,520.32
Less: Utilisation for written off share expenses (net of taxes)	-	(719.70)
<b>Closing balance</b>	<b>38,423.57</b>	<b>38,423.57</b>
<b>Statutory reserve</b>		
<b>[in terms of Section 45-IC of the Reserve Bank of India Act, 1934]</b>		
Opening balance	1,421.10	680.10
Add:- additions during the year	3,080.85	741.00
<b>Closing balance</b>	<b>4,501.95</b>	<b>1,421.10</b>
<b>Share options outstanding account</b>		
Opening balance	46.26	123.96
Add : Deferred stock compensation expense (net of write back)	22.65	(77.70)
<b>Closing balance</b>	<b>68.91</b>	<b>46.26</b>
<b>Surplus in statement of profit and loss</b>		
Opening balance	5,670.11	2,708.38
Add : Profit for the year	15,404.26	3,702.73
Less : Transferred to statutory reserve	(3,080.85)	(741.00)
<b>Closing balance</b>	<b>17,993.52</b>	<b>5,670.11</b>
<b>Total</b>	<b>60,987.95</b>	<b>45,561.04</b>

#### 4 Long-term borrowings

Particulars	As at March 31, 2012			As at March 31, 2011		
	Non-current	Current	Total	Non-current	Current	Total
<b>Secured</b>						
Infrastructure bonds (1)	20,169.10	-	20,169.10	4,208.60	-	4,208.60
Debentures (2)	15,666.67	3,333.33	19,000.00	19,000.00	10,000.00	29,000.00
Rupee term loans from banks (3)	19,602.13	1,086.03	20,688.16	23,324.34	454.52	23,778.86
External commercial borrowings from financial institution (4)	13,358.80	-	13,358.80	-	-	-
	<b>68,796.70</b>	<b>4,419.36</b>	<b>73,216.06</b>	46,532.94	10,454.52	56,987.46
Amount disclosed under the head "Other current liabilities" (refer note 9)	-	4,419.36	4,419.36	-	10,454.52	10,454.52
	<b>68,796.70</b>	<b>-</b>	<b>68,796.70</b>	46,532.94	-	46,532.94

1 84,172 (previous year 84,172) privately placed 8.25% / 8.30% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Series 1) amounting to ₹ 4208.60 lacs allotted on March 31, 2011 redeemable at par in 5 to 10 years commencing from March 30, 2016 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds issue and other unencumbered receivables of the Company to provide 100% security coverage.

319,210 (previous year Nil) privately placed 8.93% / 9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Series 2) amounting to ₹ 15,960.50 lacs allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 (Series 2) are to be secured by way of Pari Passu charge on the receivables of the assets created from the proceeds of infrastructure bonds and other receivables of the Company to provide the 100% security coverage.

2 1,000 (previous year 1,000) privately placed 10.60% secured redeemable non-convertible debentures of ₹ 1,000,000 each (Series 1) allotted on October 1, 2009 redeemable at par in three equal annual installments commencing from September 30, 2012

Nil (previous year 1,000) privately placed 9.35% secured redeemable non-convertible debentures of ₹ 1,000,000 each (Series 2) allotted on February 3, 2010 redeemable at par entirely on February 2, 2012

900 (previous year 900) privately placed 10.50% secured redeemable non-convertible debentures of ₹ 1,000,000 each (Series 3) allotted on January 27, 2011 redeemable at par in six equal annual installments commencing from January 26, 2018

Series 1, Series 2 and Series 3 are secured by way of mortgage of immovable building and first charge by way of hypothecation of the receivables of the loan assets created by the proceeds of respective debentures. Further, Series 1 and Series 3 have also been secured by pari passu charge by way of hypothecation of the receivable of loan assets created by the Company out of its own sources which are not charged to any other lender of the Company to the extent of 125% of debentures.

3 The term loans from banks are secured by first pari-passu charge by way of hypothecation of the current assets including book debts, investments and other receivables (other than assets created by line of credit of other financial institutions/banks). Additionally, the loans are backed by an agreement of assignment of the project assets financed from proceeds of the loans, in favour of respective lenders. Terms of repayment are as below:

S.No	Borrowing	Rate of Interest%	No of Installment	Tenure (years)	As at March 31, 2012	As at March 31, 2011
1	Rupee term loans from banks	11.90 / 12.00	48 equal quarterly installments	15	20,688.16	23,778.86

4 External Commercial Borrowings ("ECB") is secured by way of first ranking exclusive charge on all present and future receivables of the eligible loan assets created by the proceeds of ECB. Terms of repayment are as below:

S.No	Borrowing	Rate of Interest%	No of Installment	Tenure (years)	As at March 31, 2012	As at March 31, 2011
1	ECB	3 M LIBOR +3.25%	6 equal quarterly installments	12	13,358.80	-

#### 5. Deferred tax liabilities (net)

Particulars	As at	
	March 31, 2012	March 31, 2011
<b>Deferred tax liability on</b>		
Depreciation	797.53	853.20
Foreign currency translation account	281.94	-
<b>Less:</b>		
<b>Deferred tax assets on</b>		
Preliminary expenses	-	11.46
Share issue expenses	207.87	277.15
Provision for employee benefits	10.71	8.23
Contingent provision against standard asset	207.90	57.64
Accrued expenses deductible on payment	54.45	-
Provision for diminution in non-current unquoted trade investment	94.96	-
<b>Net deferred tax liabilities</b>	<b>503.58</b>	<b>498.72</b>

#### 6. Long-term provisions

Particulars	As at	
	March 31, 2012	March 31, 2011
Provision for gratuity (refer note 26)	10.68	6.02
Provision for leave encashment (refer note 26)	21.48	18.48
Contingent provision against standard assets	640.76	177.74
	<b>672.92</b>	<b>202.24</b>

#### 7. Short-term borrowings

Particulars	As at	
	March 31, 2012	March 31, 2011
<b>Secured</b>		
Term loans from banks*	2,810.00	-
	<b>2,810.00</b>	<b>-</b>

\*Secured by way of pledge of fixed deposits with the concerned bank

**8. Trade payables**

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
Trade payables other than micro and small enterprises (refer note 31)	656.70	1,127.22
	<b>656.70</b>	<b>1,127.22</b>

**9. Other current liabilities**

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
Current maturities of long term borrowings	4,419.36	10,454.52
Payable to Macquarie India Holdings Limited	-	8,077.60
Interest accrued but not due	1,220.34	925.43

Equity share application money refundable	2.35	139.28
Withholding and other taxes payable	76.52	119.01
Income received in advance	75.32	48.67
	<b>5,793.89</b>	<b>19,764.51</b>

**10. Short-term provisions**

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
Provision for employee benefits :		
Provision for gratuity (refer note 26)	0.09	0.25
Provision for leave encashment (refer note 26)	0.77	0.63
	<b>0.86</b>	<b>0.88</b>

**11 FIXED ASSETS**

(₹ in lacs)

S.No.	Assets description	Gross block (At Cost)				Depreciation/ Amortisation				Net block	
		As at March 31, 2011	Additions	Deductions	As at March 31, 2012	As at March 31, 2011	For the year	Adjustment	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
(i)	<b>Tangible assets</b>										
1	Building	11.94	-	-	11.94	0.76	0.56	-	1.32	10.62	11.18
2	Plant and machinery (Wind mill)	3,522.75	-	-	3,522.75	541.27	457.06	-	998.33	2,524.42	2,981.48
3	Office equipment	5.34	3.22	0.08	8.48	1.91	0.96	0.03	2.84	5.64	3.43
4	Computers	11.82	10.10	-	21.92	7.17	4.61	-	11.78	10.14	4.65
5	Furniture and fixtures	2.78	0.77	-	3.55	0.46	0.45	-	0.91	2.64	2.32
6	Vehicles	-	19.34	-	19.34	-	0.75	-	0.75	18.59	-
	<b>Sub total</b>	<b>3,554.63</b>	<b>33.43</b>	<b>0.08</b>	<b>3,587.98</b>	<b>551.57</b>	<b>464.39</b>	<b>0.03</b>	<b>1,015.93</b>	<b>2,572.05</b>	
	Previous year	3,504.28	51.05	0.70	3,554.63	7.50	544.33	0.26	551.57		<b>3,003.06</b>
(ii)	<b>Intangible assets</b>										
1	Software	14.17	-	-	14.17	1.03	2.65	-	3.68	10.49	13.14
	<b>Sub total</b>	<b>14.17</b>	<b>-</b>	<b>-</b>	<b>14.17</b>	<b>1.03</b>	<b>2.65</b>	<b>-</b>	<b>3.68</b>	<b>10.49</b>	
	Previous year	0.47	13.70	-	14.17	0.24	0.79	-	1.03		<b>13.14</b>
	<b>Total</b>	<b>3,568.80</b>	<b>33.43</b>	<b>0.08</b>	<b>3,602.15</b>	<b>552.60</b>	<b>467.04</b>	<b>0.03</b>	<b>1,019.61</b>	<b>2,582.54</b>	
	Previous year	3,504.75	64.75	0.70	3,568.80	7.74	545.12	0.26	552.60		<b>3,016.20</b>

## 12 NON-CURRENT INVESTMENT

(₹ in lacs)

Particulars	Face Value (₹ per share)	Quantity (Nos.)	As at March 31, 2012	Quantity (Nos.)	As at March 31, 2011
<b>Unquoted trade investments at cost</b>					
<b>(a) Investments in fully paid up equity instruments of:</b>					
<b>- Associates companies</b>					
Ind-Barath Energy (Utkal) Limited	10.00	105,000,000	10,500.00	105,000,000	10,500.00
PTC Bermaco Green Energy Systems Limited	10.00	1,374,646	137.46	1,374,646	137.46
RS India Wind Energy Limited	10.00	61,121,415	6,112.14	61,121,415	6,112.14
Varam Bio Energy Private Limited	10.00	4,390,000	439.00	4,390,000	439.00
<b>- Others companies</b>					
East Coast Energy Private Limited	10.00	133,385,343	13,338.53	125,000,000	12,500.00
Meenakshi Energy and Infrastructure Holding P Limited (# ₹10)	10.00	1	#	1	#
Meenakshi Energy Private Limited	10.00	114,417,873	11,441.79	100,341,081	10,034.11
Ind-Barath PowerGencom Limited (ceased to be an associate w.e.f. September 28, 2011)	10.00	-	-	55,630,000	5,563.00
Indian Energy Exchange Limited (ceased to be an associate w.e.f. March 29, 2012)	10.00	1,516,431	151.64	5,766,026	576.60
<b>(b) Investments in fully paid up optionally convertible debentures of associates companies</b>					
Varam Bio Energy Private Limited	500,000.00	90	428.58	90	450.00
<b>Quoted non-trade investments at cost</b>					
<b>(a) Investment in fully paid up equity instruments of:</b>					
Container Corporation of India Limited	10.00	-	-	1,040	10.27
Power Grid Corporation of India Limited	10.00	-	-	81,839	42.56
			<b>42,549.14</b>		<b>46,365.14</b>
Less : Provision for diminution in investments in fully paid up equity instruments of associate company			439.00		-
			<b>42,110.14</b>		<b>46,365.14</b>
Aggregate cost of quoted investments			-		52.83
Aggregate cost of unquoted investments			42,549.14		46,312.31
<b>Total</b>			<b>42,549.14</b>		<b>46,365.14</b>
Aggregate market value of quoted investments (Based on last traded price available as at year end)			-		95.87

### 13. Long-term loans and advances

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
<b>Secured, considered good</b>		
Loan financing	108,608.26	62,354.12
	<u>108,608.26</u>	<u>62,354.12</u>

### 14. Other non current assets

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
Premium on derivative contracts	1,339.10	-
Foreign currency translation account	868.99	-
	<u>2,208.09</u>	<u>-</u>

### 15. Trade receivables

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
<b>Trade receivables other than outstanding for a period exceeding six months from the date they become due</b>		
Unsecured, considered good	62.28	48.26
	<u>62.28</u>	<u>48.26</u>

### 16. Cash and cash equivalents :

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
<b>Cash and cash equivalents</b>		
Balance with banks		
(i) In current accounts	1,857.53	3,274.02
(ii) In deposit accounts (refer notes below)	17,953.10	36,856.66
(iii) In earmarked accounts		
- received on behalf of Macquarie India Holdings Limited lying in escrow account	-	8,077.60
- unclaimed share application money lying in escrow account	2.35	139.28
	<u>19,812.98</u>	<u>48,347.56</u>

#### Notes:

- (i) Balances with banks include deposits amounting to ₹ 708.00 lacs (previous year ₹ Nil) which have an original maturity of more than 12 months
- (ii) Includes ₹ 235.05 lacs (previous year ₹ 235.05 lacs) deposits as margin money against bank guarantee.
- (iii) Includes ₹ 10,000 lacs (previous year ₹ Nil) pledged against short-term borrowing.

Particulars	(₹ in lacs)	
	As at March 31, 2012	As at March 31, 2011
<b>17. Short-term loans and advances</b>		
<b>Secured, considered good</b>		
Advance for supply of certified emission reduction units	-	2,187.68
Loans financing	13,500.00	3,500.00
<b>Unsecured, considered good</b>		
Advance for supply of certified emission reduction units	-	536.12
Security deposits	235.05	235.05

Advances recoverable from related party	-	5.40
Other receivables	135.59	253.84
Balances with government authorities	28.62	44.19
Advance income tax (net of provision of ₹ 6,442.71 (previous year ₹ 1,687.71 lacs))	774.00	886.40
Advance fringe benefit tax (net of provision of ₹ 0.28 lacs (previous year ₹ 1.49 lacs))	0.88	1.17
	<b>14,674.14</b>	<b>7,649.85</b>

#### 18. Other current assets

Particulars	As at March 31, 2012	As at March 31, 2011
(₹ in lacs)		
<b>Secured, considered good</b>		
Current maturities of long term loan financing	4,501.98	1,704.65
<b>Unsecured, considered good</b>		
Interest accrued and due on		
Loan financing	341.11	-
Interest accrued but not due on		
Fixed deposits	831.27	83.73
Debentures	-	2.83
Loan financing	698.14	323.54
	<b>6,372.50</b>	<b>2,114.75</b>

#### 19. Revenue from operations

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
(₹ in lacs)		
<b>Interest income from</b>		
(i) Loan financing	13,236.48	7,352.10
(ii) Debentures	58.95	73.46
<b>Other operating income</b>		
(i) Dividend income on:		
- Non-current unquoted trade investment		
Equity shares	57.66	1.39
- Current unquoted non- trade investment		
Mutual funds	-	169.09
(ii) Profit on sale of Investment in non-current unquoted trade investment		
- Equity shares	12,724.25	1,236.63
(iii) Profit on sale of investments in non-current quoted non-trade investment		
- Equity shares	45.53	-
(iv) Profit on sale of investments in current unquoted non- trade investment		
- Mutual funds	639.57	-
(v) Interest on fixed deposits	1,963.78	514.07
(vi) Fee based income	973.31	1,102.51
(vii) Income from sale of certified emission reduction units	462.71	-
(viii) Sale of power	501.69	433.60
	<b>30,663.93</b>	<b>10,882.85</b>

## 20. Other income

Particulars	(₹ in lacs)	
	Year ended March 31, 2012	Year ended March 31, 2011
Interest on		
Income tax refund	36.37	-
Others	-	0.03
Excess provision written back	2.09	2.35
Miscellaneous income	17.55	-
	<u>56.01</u>	<u>2.38</u>

## 21. Employee benefits expense

Particulars	(₹ in lacs)	
	Year ended March 31, 2012	Year ended March 31, 2011
Salaries and other allowances	341.11	215.38
Contribution to provident fund	17.61	11.05
Employee stock options expense	22.65	(77.70)
Staff welfare	60.00	35.28
	<u>441.37</u>	<u>184.01</u>

## 22. Finance costs

Particulars	(₹ in lacs)	
	Year ended March 31, 2012	Year ended March 31, 2011
Interest cost on:		
Infrastructure bonds	458.53	9.73
Debentures	2,799.48	2,165.88
Rupee term loans from banks	2,914.53	2,089.50
External commercial borrowings from financial institutions	255.77	-
Interest on income tax	5.23	-
Other borrowing cost on :		
Rupee term loans from banks	3.31	6.41
Other charges on external commercial borrowings from financial institutions	418.96	165.92
Bank charges	5.41	0.17
	<u>6,861.22</u>	<u>4,437.61</u>

## 23. Other expenses

Particulars	(₹ in lacs)	
	Year ended March 31, 2012	Year ended March 31, 2011
Rent	91.57	24.47
Repairs and maintenance		
- Plant and machinery	67.49	-
- others	16.63	6.48
Insurance expenses	5.80	3.36
Rates and taxes	84.07	2.78
Commission and brokerage	480.07	112.68
Communication expenses	10.43	6.59
Travelling and conveyance	42.91	30.70
Advertising and business development	31.49	25.93
Donation	1.00	-
Legal and professional	422.04	163.87
Loss on sale of fixed assets	-	0.36
Loss on foreign currency translation	121.32	-
Provision for diminution in non-current unquoted trade investment in equity shares	439.00	-
Contingent provision against standard assets	463.02	177.74
Directors' sitting fees	6.12	7.80
Miscellaneous expenses	89.43	12.60
	<u>2,372.39</u>	<u>575.36</u>

24. Contingent liabilities and commitments in respect of:

(₹ in lacs)

	As at March 31, 2012	As at March 31, 2011
<b>Contingent liabilities</b>		
Income tax	31.13	13.97
<b>Commitments</b>		
Loan financing	7,453.71	13,378.00

25. Employee stock options plan

Effect of fair valuation of employee stock options on financial position

1. Impact on profitability

(₹ in lacs)

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Profit for the year	15,404.26	3,702.73
Add: Employee stock compensation under intrinsic value method	22.65	(77.70)
Less: Employee stock compensation under fair value method	138.29	(507.24)
Pro forma profit	15,288.62	4,132.27

2. Impact on basic/diluted EPS

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
- As reported (in Rupees)		
Basic	2.74	0.85
Dilutive	2.74	0.85
- As pro forma (in Rupees)		
Basic	2.72	0.95
Dilutive	2.72	0.94

26. Disclosures required as per AS - 15 (Revised) "Employee Benefits"

(A) Defined benefit plans

Changes in the present value of the defined benefit obligation:

(₹ in lacs)

Particulars	Gratuity		Leave encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Opening defined benefit obligation	6.27	0.57	19.11	3.76
Current service cost	3.85	2.36	7.76	7.27
Interest cost	0.53	0.04	1.62	0.30
Benefits paid	-	-	(3.90)	-
Actuarial loss / (gain)	0.12	3.30	(2.34)	7.78
<b>Closing defined benefit obligation</b>	<b>10.77</b>	<b>6.27</b>	<b>22.25</b>	<b>19.11</b>
<b>Disclosure of defined benefit into</b>				
Current				
Non-current	0.09	0.25	0.77	0.63
	10.68	6.02	21.48	18.48

Reconciliation of present value of defined benefit obligation and fair value of plan assets

(₹ in lacs)

Particulars	Gratuity		Leave encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Closing defined benefit obligation	10.77	6.27	22.25	19.11
Closing fair value of plan assets	-	-	-	-
<b>Net asset/(liability) recognized in balance sheet</b>	<b>(10.77)</b>	<b>(6.27)</b>	<b>(22.25)</b>	<b>(19.11)</b>



**Expense recognized in the statement of profit and loss**

(₹ in lacs)

Particulars	Gratuity		Leave encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Current service cost	3.85	2.36	7.76	7.27
Interest cost	0.53	0.04	1.62	0.30
Net actuarial loss / (gains)	0.12	3.30	(2.34)	7.78
<b>Net expense</b>	<b>4.50</b>	<b>5.70</b>	<b>7.04</b>	<b>15.35</b>

**Disclosure relating to present value of defined benefit obligation, net asset / (liability) and net actuarial loss / (gain)**

(₹ in lacs)

Particulars	Year ended March 31, 2012		Year ended March 31, 2011		Year ended March 31, 2010		Year ended March 31, 2009	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of closing defined benefit obligation	10.77	22.25	6.27	19.11	0.57	3.76	0.53	1.76
Net asset / (liability)	(10.77)	(22.25)	(6.27)	(19.11)	(0.57)	(3.76)	(0.53)	(1.76)
Net actuarial loss / (gain)	0.12	(2.34)	3.30	7.78	(0.42)	(0.55)	-	-

**(B)** The principal assumptions used in determining defined retirement obligations for the Company's plans are shown below:

	Year ended March 31, 2012	Year ended March 31, 2011
Discounting rate	8.50%	8.00%
Future salary increase	6.00%	5.50%

The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors on long term basis.

**(C)** In respect of the defined contribution plans, the Company has recognized the following amounts in the statement of profit and loss

(₹ in lacs)

	Year ended March 31, 2012	Year ended March 31, 2011
Employer's contribution to provident fund	17.61	11.05

27 The Company's main business is to provide finance for energy value chain through investment and lending into such projects. All other activities revolve around the main business. The Company does not have any geographic segments. As such, there are no separate reportable segments as per Accounting Standard 17 on 'Segment Reporting' notified under the Companies (Accounting Standards) Rules, 2006.

**28 Related party disclosures**
**(a) List of related parties and relationships**

Related parties where control exists or with whom transactions have taken place during the year are given below:

<b>Holding company</b>	: PTC India Limited
<b>Associate companies</b>	: Ind-Barath Energy (Utkal) Limited
	: PTC Bermaco Green Energy Systems Ltd
	: RS India Wind Energy Limited
	: Varam Bio Energy Private Limited
	: Ind-Barath PowerGencom Limited (ceased to be an associate w.e.f. September 28, 2011)
	: Indian Energy Exchange Limited (ceased to be an associate w.e.f. March 29, 2012)
<b>Key management personnel</b>	: Dr. Ashok Haldia
	: Dr. Pawan Singh (w.e.f. February 1, 2012)

**(b) Details of related party transactions in the ordinary course of the business:**
**(i) Transactions with holding company**

(₹ in lacs)

Nature of transactions	Year ended March 31, 2012	Year ended March 31, 2011
Rent paid (gross)	96.05	26.83
Expenses reimbursed *	318.10	201.38
Expenses recovered	5.47	-

\* includes ₹58.40 lacs (previous year ₹ 45.10 lacs) towards remuneration of Directors.

(ii) Transactions with key management personnel

(₹ in lacs)

Nature of transactions	Year ended March 31, 2012	Year ended March 31, 2011
Reimbursement of expenses		
Dr. Ashok Haldia	1.37	1.54
Dr. Pawan Singh	0.27	-
Remuneration paid **		
Dr. Ashok Haldia	51.88	45.10
Dr. Pawan Singh	6.52	-

\*\* Also included under reimbursement of expenses to holding company as disclosed at (i) above.

(iii) Transactions with associates companies

(₹ in lacs)

Nature of transactions	Year ended March 31, 2012	Year ended March 31, 2011
<b>Investment in equity share capital during the year:</b>		
i) PTC Bermaco Green Energy Systems Ltd.	-	53.09
ii) RS India Wind Energy Limited	-	381.00
<b>Investment in debentures during the year:</b>		
i) Varam Bio Energy Private Limited	-	250.00
<b>Investment balances outstanding at the balance sheet date without considering provision for diminution:</b>		
Ind Barath Energy (Utkal) Limited	10,500.00	10,500.00
Ind-Barath PowerGencom Limited	-	5,563.00
Indian Energy Exchange Limited	151.64	576.60
PTC Bermaco Green Energy Systems Limited	137.46	137.46
RS India Wind Energy Limited	6,112.14	6,112.14
Varam Bio Energy Private Limited	439.00	439.00
<b>Investment in debentures as on the Balance sheet date</b>		
Varam Bio Energy Private Limited	428.58	450.00
<b>Loan financing</b>		
Varam Bio Energy Private Limited	61.78	-

29. Earnings per share

	Year ended March 31, 2012	Year ended March 31, 2011
Profit after tax attributable to equity shareholders (₹ in lacs) (a)	15,404.26	3,702.73
Weighted Average number of equity shares outstanding during the year (Nos.) (b)	562,083,335	435,980,595
Effect of potential dilutive equity shares on Employee Stock Options outstanding (c)	3,691	1,566,487
Weighted average number of equity shares in computing diluted earnings per share [(b)+(c)]	562,087,026	437,547,082
Basic earnings per share of face value ₹ 10 each (in ₹)	2.74	0.85
Diluted earnings per share of face value ₹ 10 each (in ₹)	2.74	0.85

30. The percentage holding and the investment in associate companies as at March 31, 2012 is given below:

Name of the associate company	Country of incorporation	% holding	Face value (₹ per share)	As at March 31, 2012 (₹ in lacs)	As at March 31, 2011 (₹ in lacs)
Ind-Barath Energy (Utkal) Limited	India	20.55%	10	10,500.00	10,500.00
PTC Bermaco Green Energy Systems Ltd.	India	26%	10	137.46	137.46
RS India Wind Energy Limited	India	37%	10	6,112.14	6,112.14
Varam Bio Energy Private Limited	India	26%	10	439.00	439.00
<b>Total</b>				<b>17,188.60</b>	<b>17,188.60</b>

31. Based on the information available with the Company, no supplier has been identified, who is registered under the Micro, Small and Medium Enterprise Development Act, 2006. Further, the Company has not received any claim of interest from any supplier under the said Act.

32. Total number of electricity units generated and sold during the year: 13,561,177 KWH (previous year: 11,720,432 KWH).

**33. Auditors' remuneration (net of service tax)**

(₹ in lacs)

	Year ended March 31, 2012	Year ended March 31, 2011
Statutory audit	9.00	6.00
Audit/ Limited Review of interim financial statement	7.50	4.00
Tax audit	2.00	1.50
Relating to Initial Public Offer (IPO)	-	34.65
Other certificates	4.65	2.30
<b>Total</b>	<b>23.15</b>	<b>48.45</b>

**34. Expenditure incurred in foreign currency (accrual basis)**

(₹ in lacs)

	Year ended March 31, 2012	Year ended March 31, 2011
Fees for external commercial borrowings	418.96	165.92
Interest on external commercial borrowings	255.77	-
Fees relating to IPO	-	56.74
Traveling	2.02	2.40
Others	-	0.87
<b>Total</b>	<b>676.75</b>	<b>225.93</b>

**35. The IPO proceeds have been utilized as under:**

(₹ in lacs)

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
<b>Share issue proceeds</b>	<b>35,270.32</b>	<b>35,270.32</b>
Less:		
- Issue related expenses	1,136.60	205.98
- Repayment of term loans	2,389.03	2,389.03
- Rupee term loan for power projects	26,744.69	-
<b>Closing balance of un-utilized proceeds as at the year end</b>	<b>5,000.00</b>	<b>32,675.31</b>
<b>Details of un-utilized proceeds are given below:</b>		
- Balance in current accounts	-	1,175.31
- Balance in deposit accounts	5,000.00	31,500.00

36. Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending the Accounting Standard 11, the Company has exercised the option as per Para 46A inserted in the Standard for all long term monetary assets and liabilities. Consequently an amount of ₹ 868.99 lacs (without considering tax benefit of ₹ 281.94 lacs) is carried forward in the Foreign currency translation account as on March 31, 2012.

Had the Company followed the earlier method of accounting for the above items, the net profit for the year ended March 31, 2012 would have been lower by ₹ 587.05 lacs (net of taxes).

37. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**Schedule to the  
Balance Sheet of a non-deposit taking non-banking financial Company**

(as required in terms of paragraph 13 of Non-banking Financial (Non-Deposit Accepting or Holding)  
Companies Prudential Norms (Reserve Bank) Directions, 2007

(₹ in lacs)

Particulars			
<b>Liabilities side:</b>			
(1)	<b>Loans and advances availed by the non-banking Financial company inclusive of interest accrued thereon but not paid :</b>	<b>Amount out- Standing</b>	Amount Overdue
(a)	Debitures : Secured	39,169.10	-
	: Unsecured		
	(other than falling within the meaning of public deposits*		
(b)	Deferred Credits	-	-
(c)	Term Loans	34,046.96	-
(d)	Inter-Corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Other Loans (short term bank loan	2,810.00	-

Assets side :		Amount out- Standing
(2)	Break-up of Loan and Advances including bills receivables [Other than those included in (4) below] :	
(a)	Secured	126,610.24
(b)	Unsecured	135.59
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i)	Lease assets including lease rentals under sundry debtors :	
(a)	Financial lease	-
(b)	Operating lease	-
(ii)	Stock on hire including hire charges under sundry debtors:	
(a)	Assets on hire	-
(b)	Repossessed Assets	-
(iii)	Other loans counting towards AFC activities	
(a)	Loans where assets have been repossessed	-
(b)	Loans other than (a) above	-
(4)	Break-up of Investments :	
	Current Investments :	
1.	Quoted :	
(i)	Shares : (a) Equity	-
	(a) Preference	-
(ii)	Debitures and Bonds	-
(iii)	Units of mutual Funds	-
(iv)	Government Securities	-
(v)	Others (please specify	-

Assets side :		Amount out- Standing
2. Unquoted		
(i) Shares :	(a) Equity	-
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of mutual Funds		-
(iv) Government Securities		-
(v) Others (please specify		-
Long Term Investments :		
1. Quoted :		
(i) Shares :	(a) Equity	-
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of mutual Funds		-
(iv) Government Securities		-
(v) Others (please specify		-
2. Unquoted		
(i) Shares :	(a) Equity (net of provisions)	41,681.56
	(b) Preference	-
(ii) Debentures and Bonds		428.58
(iii) Units of mutual Funds		-
(iv) Government Securities		-
(v) Others (please specify		-
Total		42,110.14

5. Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	126,610.24	135.59	126,745.83
Total	126,610.24	135.59	126,745.83

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
Category	Market Value/Break up or fair value of NAV	Book value (net of provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	17,178.18
2. Other than related parties	-	24,931.96
Total	-	42,110.14

7. Other Information		
Particulars		Amount
(i) Gross Non-Performing Assets		
(a) Related parties		-
(b) Other than related parties		-
(ii) Net Non-Performing Assets		
(a) Related parties		-
(b) Other than related parties		-
(ii) Assets acquired in satisfaction of debt		-

### Particulars

Disclosures required pursuant to Reserve Bank of India notification DNBS (PD) CC No. 225/03.02.001/2011-12 dated July 1, 2011

#### I. Capital Adequacy Ratio

	(₹ in lacs)
Tier I Capital	As at March 31, 2012
Tier II Capital	117,196.29
<b>Total Capital</b>	<b>640.76</b>
Total Risk Weighted Assets	117,837.05
<b>Capital Ratios</b>	<b>117,927.28</b>
Tier I Capital as a percentage of total risk assets (%)	66.62
Tier II Capital as a percentage of total risk assets (%)	0.36
<b>II. Exposure to real estate sector, both direct and indirect total Capital (%)</b>	<b>66.98</b>

The Company does not have any direct or indirect exposure to the real estate sector as at 31st March 2012.

#### III. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as a 31st March 2012

Particulars	(₹ in lacs)								Total
	Upto 1 month	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 month to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	
Liabilities	-	2,810.02	-	222.67	863.34	3,453.36	3,453.36	12,695.41	23,498.16
Borrowings from banks	-	-	-	3,333.33	-	6,666.67	18,934.75	10,234.35	39,169.10
Market Borrowings ECB	-	-	-	-	-	2,226.47	2,968.62	8,163.71	13,358.80
<b>Assets</b>									
Receivables under financing activity	4,139.11	16.92	404.42	10,918.97	2,522.56	21,694.13	20,479.81	66,434.32	126,610.24
Investment (Gross)	-	-	-	-	14.13	113.03	113.03	42,308.95	42,549.14

For and on behalf of the Board of Directors

T. N. Thakur  
Chairman & Managing Director  
DIN: 00024322

Dr. Pawan Singh  
Director & CFO  
DIN : 00044987

Vishal Goyal  
Company Secretary

Place : New Delhi  
Date : May 17, 2012

**PTC INDIA FINANCIAL SERVICES LIMITED**  
Regd. Office: 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi- 110066

**ATTENDANCE SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

Name of Attending Person  
(IN BLOCK LETTERS)

Regd. Folio no.<sup>1</sup>

No. of Shares held

DP ID no.

Client ID No.

I, hereby record my presence at the 6<sup>th</sup> Annual General Meeting of the Company being held on 21<sup>st</sup> day of September, 2012 at 11:30 A.M. at FICCI auditorium, 1 Foundation House, Tansen Marg, New Delhi - 110001.

Please tick (✓) in the box.

Member  Proxy

\_\_\_\_\_  
Member's / Proxy's Signature

<sup>1</sup> Applicable for holding shares in physical mode.





**PTC INDIA FINANCIAL SERVICES LIMITED**

Regd. Office: 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi- 110066

**PROXY FORM**

DP ID  Client ID

No. of Shares held  Regd. Folio No.<sup>2</sup>

I/we \_\_\_\_\_, s/o \_\_\_\_\_ in the district of \_\_\_\_\_, being a member/members of PTC India Financial Services Limited, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the 6<sup>th</sup> Annual General Meeting of the company to be held on 21<sup>st</sup> day of September, 2012 at 11:30 A.M. at FICCI auditorium, 1 Foundation House, Tansen Marg, New Delhi - 110001. and any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

-----  
(Signature)  
(affix Revenue Stamp of appropriate value)

Note: - The proxy must be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting.

<sup>2</sup>Applicable for holding shares in physical mode.







## **PTC INDIA FINANCIAL SERVICES LIMITED**

(A Subsidiary of PTC India Ltd.)

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Website: [www.ptcfinancial.com](http://www.ptcfinancial.com)