



PTC India Financial Services Limited

Press Release

New Delhi

February 8, 2011

PTC India Financial Services Limited (PFS) in process to raise up to Rs. 100 Crore through issuance of Infrastructure Bonds with benefits under Section 80 CCF of Income Tax Act, 1961

PTC India Financial Services Limited (PFS), the subsidiary of PTC India Limited (PTC), is proposing to raise Rs. 30 crores (Rupees Thirty Crore only) with an option to retain over-subscription up to an additional amount of Rs. 70 crores (Rupees Seventy Crore only), thus aggregating to Rs. 100 crores (Rupees One Hundred Crore only) through issuance of secured Long Term Infrastructure Bonds (“Bonds”) with benefits under section 80 CCF of Income Tax Act, 1961 up to Rs. 20,000/- for FY 2010-11.

PFS is issuing the Bonds after being classified as an “Infrastructure Finance Company” (“IFC”) by the Reserve Bank of India in August 2010.

Investors are eligible to avail tax benefits depending on their tax brackets under section 80 CCF of Income Tax Act, 1961 for tax-saving investments, allowing for a deduction of maximum Rs. 20,000 for FY 2010-11, over and above the Rs.1 lakh deduction available under section 80C. There is no maximum limit on investment in such Bonds.

PFS is offering an interest rate of 8.25% p.a. on option I and II for 10 year Bond with an option for buyback after 5 years and 8.30% p.a. for option III and IV for 10 year Bond without buyback option. The current issue has received “AA” from Brickwork Ratings and “LA+” (positive outlook) from ICRA Limited which indicates High Credit quality and Adequate Credit quality for timely servicing of debt obligations respectively.

The issue is slated to open on February 9, 2011 and will close on March 15, 2011.

PFS has also filed a Draft Red Herring Prospectus dated December 21, 2010 with the Securities and Exchange Board of India (“SEBI”) on December 22, 2010, proposing a public issue of 156,700,000 equity shares of face value of Rs.10 each for cash consisting of a fresh issue of 127,500,000 equity shares by PFS and an offer for sale of 29,200,000 equity shares by Macquarie India Holdings Limited as the selling shareholder.

PFS is an Indian non-banking finance institution promoted by PTC to make principal investments in, and provide financing solutions for, companies with projects across the energy value chain. PFS offers an integrated suite of services with a focus on infrastructure development, including providing debt (short term and long term) financing to, and making investments in, private sector Indian companies in the power sector, including for power generation, equipment supply and fuel source projects. PFS is currently focused primarily on power generation projects in India. PFS also provides fee based syndication and advisory services as well as carbon credit financing against certified emissions reduction (CER).

(A subsidiary of PTC India Limited)

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Disclaimer

"PTC India Financial Services Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a Draft Red Herring Prospectus ("DRHP") with the Securities and Exchange Board of India ("SEBI"). The DRHP is available on the website of SEBI at www.sebi.gov.in as well as on the websites of the book running lead managers at www.sbicaps.com, www.jmfinancial.in, www.icicisecurities.com, www.almondzglobal.com and the website of the co-book running lead manager at www.avendus.com. Investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the section titled "Risk Factors" of the DRHP. This is not, and should not be construed as, an offer of any securities of the Company for sale in the United States or elsewhere. The securities of the Company are not being registered under the Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

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