PTC India Financial Services Limited

16th Annual Report 2021-22

Financing Infrastructure for Sustainability

Contents

Reference Information

Registered Office	:	PTC India Financial Services Limited 7thFloor, Telephone Exchange Building 8 Bhikaji Cama Place New Delhi - 110 066 Tel : (011) 26737300, Fax : (011) 26737373
CIN	:	L65999DL2006PLC153373
Company Secretary	:	Ms. Shweta Agrawal
Statutory Auditors	:	M/s. Lodha & Co.
Shares are listed on	:	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
Depository	:	National Securities Depository Limited Central Depository Services (India) Limited
Registrar and Share Transfer Agent (for Equity and Bonds)	:	Kfin Technologies Private Limited Karvy Selenium Tower B Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad – 500 032 Tel : (040) 67162222, Fax : (040) 23001153
Bankers	:	Allahabad Bank Andhra Bank Axis Bank Bank of Baroda Bank of India Bank of Maharashtra BNP Paribas Canara Bank Central Bank of India Corporation Bank HDFC Bank IDBI Bank Ltd ICICI Bank Ltd IndusInd Bank Oriental Bank of Commerce Punjab National Bank State Bank of India Syndicate Bank The Jammu & Kashmir Bank Union Bank of India United Bank of India Yes Bank
Debenture Trustee	:	IDBI Trusteeship Services Limited Asian Building, Ground Floor 17 R. Kamani Marg, Ballard Estate Mumbai- 400001 Tel : (022) 40807000, Fax : (022) 66311776
Website	:	www.ptcfinancial.com
E-mail	:	complianceofficer@ptcfinancial.com info@ptcfinancial.com

PTC India Financial Services Limited

CIN: L65999DL2006PLC153373
Registered Office: 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place New Delhi - 110 066
Tel: +91 11 26737300 / 26737400 Fax: 26737373
Website: www. ptcfinancial.com E-mail: info@ptcfinancial.com

NOTICE OF 16th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 16th (Sixteenth) Annual General Meeting ("AGM") of the Members of PTC India Financial Services Ltd. ("PFS" or the "Company") will be held on Friday 30th day of December, 2022 at 11.00 A.M. by way of Video Conferencing ("VC") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

    a) Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022, together with Board's Report, and report of Auditor's thereon; and

    b) Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 and report of Auditor's thereon.

2. To re-appoint Dr. Pawan Singh (00044987), Managing Director and Chief Executive Officer, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

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

    "**RESOLVED THAT** Dr. Pawan Singh (00044987), Managing Director and Chief Executive Officer who retires by rotation and who is eligible for re-appointment as per his existing terms, be and is hereby re-appointed."

3. Appointment of Statutory Auditors

    To appoint Statutory Auditors of the Company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

    "**RESOLVED THAT** pursuant to Section 139, 142 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or enactment thereof for the time being in force), upon the recommendation of the Audit Committee, M/s Lodha & Co. Chartered Accountants (FRN: 301051E), be and is hereby appointed as Statutory Auditors of the Company, for a period of three (3) consecutive years commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2025 at such remuneration and terms and conditions as may be decided by the Board in consultation with the Statutory Auditors of the Company.

    RESOLVED FURTHER THAT any Director/ Key Managerial Personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with the Registrar of Companies."

SPECIAL BUSINESS:

4. **Appointment of M/s Lodha & Co. Chartered Accountants (FRN: 301051E), as the Statutory Auditors under casual vacancy**

    To appoint Statutory Auditor of the Company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

    "**RESOLVED THAT** pursuant to Section 139(8), 142 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or enactment thereof for the time being in force), upon the recommendation of the Audit Committee, M/s Lodha & Co. Chartered Accountants (FRN: 301051E), be and is hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. MSKA & Associates, Chartered Accountants, at such remuneration and terms and conditions as may be decided by the Board in consultation with the Statutory Auditors of the Company.

    RESOLVED FURTHER THAT any Director/ Key Managerial Personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with the Registrar of Companies."

5. **Appointment of Dr. Rajib Kumar Mishra as a Non-Executive Director of the Company**

    To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

    "**RESOLVED THAT** pursuant to provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (the "Act") and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as the Listing Regulations) and such other applicable provisions, if any and upon the recommendation of Nomination and Remuneration Committee, Dr. Rajib Kumar Mishra (DIN: 06836268), who was appointed as Nominee Director of PTC India Limited (Promoter Company) by the Board of Directors w.e.f. 08th November 2021 and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Non- Executive Director as Nominee of PTC India Limited whose office shall be liable to retire by rotation.

    FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **Appointment of Mr. Pankaj Goel as a Non-Executive Director of the Company**

    To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

    "**RESOLVED THAT** pursuant to provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (the "Act") and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015 (referred to as the Listing Regulations) and such other applicable provisions, if any and upon the recommendation of Nomination and Remuneration Committee, Mr. Pankaj Goel (DIN: 03006647), who was appointed as Nominee Director of PTC India Limited (Promoter Company) by the Board of Directors w.e.f. 08th November 2021 and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Non- Executive Director as Nominee of PTC India Limited whose office shall be liable to retire by rotation.

FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **Appointment of Smt. Seema Bahuguna (DIN: 09527493), as an Independent Director**

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

"**RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160, read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, read with Regulation 17, 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as the Listing Regulations) and such other applicable provisions, if any, and upon the recommendation of Nomination and Remuneration Committee, Smt. Seema Bahuguna (DIN: 09527493), who was appointed as an Additional Director in the category of Independent Director of the Company w.e.f. 15th November 2022, who has given a declaration of independence under section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three (3) consecutive years commencing from 15th November 2022 i.e. upto and including 14th November 2025 and that she shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

8. **Appointment of Smt. PV Bharathi (DIN: 6519925), as an Independent Director**

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

"**RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160, read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, read with Regulation 17, 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as the Listing Regulations) and such other applicable provisions, if any, and upon the recommendation of Nomination and Remuneration Committee, Smt. PV Bharathi (DIN: 6519925), who was appointed as an Additional Director in the category of Independent Director of the Company w.e.f. 15th November 2022, who has given a declaration of independence under section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Regulations) and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three (3) consecutive years commencing from 15th November 2022 i.e. upto & including 14th November 2025 and that she shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

9. **Appointment of Mr. Naveen Bhushan Gupta (DIN: 00530741), as an Independent Director**

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

"**RESOLVED THAT** in accordance with the provisions of Section 149, 150, 152, 160, read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, read with Regulation 17, 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as the Listing Regulations) and such other applicable provisions, if any, and upon the recommendation of Nomination and Remuneration Committee, Mr. Naveen Bhushan Gupta (DIN: 00530741), who was appointed as an Additional Director in the category of Independent Director of the Company w.e.f. 15th November 2022, who has given a declaration of independence under section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three (3) consecutive years commencing from 15th November 2022 i.e. upto and including 14th November 2025 and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

Sd/-
Shweta Agrawal
Company Secretary

Place: New Delhi Address: 7th Floor, Telephone Exchange Building,
Date: 03rd December 2022 8 Bhikaji Cama Place, New Delhi-110066

Notes:

1. In view of outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular no. 14/2020 dated 8th April, 2020, General Circular no. 17/2020 dated 13th April, 2020, General Circular no. 22/2020 dated 15th June, 2020, General Circular no. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020, General Circular No. 10/2021 dated 23rd June, 2021, General Circular No. 20/2021 dated 8th December, 2021 and

the General Circular No. 2/2022 dated 5th May, 2022 (collectively 'MCA Circulars'), permitted companies to conduct General Meeting through video conferencing ('VC') till 31st December, 2022. In compliance with the MCA and applicable provisions of the Act and Listing Regulations, the AGM of the Company is being convened and conducted through VC. The deemed venue for the AGM shall be the Registered Office of the Company.

2. The Registrar of Companies, Delhi and Haryana, vide its approval letter dated September 05, 2022, has granted an extension of time by a period of three (3) months to hold the Annual General Meeting for the financial year ended on March 31, 2022 on or before December 31, 2022. Thus, this AGM is conducted before 31st December 2022 in pursuance of the approval granted.

3. An explanatory statement pursuant to Section 102 of the Act read with relevant rules made thereunder setting out material facts relating to the special business under Item Nos. 4 to 9 of the Notice of 16th AGM (the "Notice") forms part of the Notice.

4. Pursuant to the above referred MCA Circulars and SEBI Circulars, since this AGM is being held through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and consequent to which, the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, Corporate members intending to appoint their authorized representatives to attend the meeting are requested to send the Company a certified copy of Board Resolutions authorizing their representative to attend and vote on their behalf at the meeting.

5. Relevant documents referred to in the accompanying Notice and the explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays and Sundays, between 11:00 a.m. and 1:00 p.m. upto the date of Annual General Meeting. The requisite statutory registers as well as documents referred in notice will be made available electronically for inspection by the members of the Company upto the date of AGM. Members seeking inspection of such documents can send email at info@ptcfinancial.com.

6. Details of all the directors seeking appointment and re-appointment at this AGM, as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Secretarial Standards- II issued by the Institute of Company Secretaries of India is annexed hereto and forms part of the notice.

7. SEBI vide its Circular dated 3rd November, 2021 has made it mandatory for the shareholders holding shares in physical form to furnish PAN, KYC details and Nomination viz Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14. A copy of such forms can be downloaded from the website of the Company. In case of failure to provide required documents and details as per the aforesaid Circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. Further, such frozen securities shall be referred by the RTA or the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as of December 31, 2025.

   In order to avoid freezing of folios, such members are requested to furnish details in the prescribed form as mentioned in the aforesaid SEBI circular along with the supporting documents, wherever required, to Registrar and Share Transfer Agent of the Company/ the Company, for immediate action.

8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

9. Non-Resident Indian members are requested to inform Company / respective DPs, immediately of:
   a) Change in their residential status on return to India for permanent settlement.

   b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company or Share Transfer Agent, for consolidation into a single folio.

11. The Company's Registrar & Transfer Agent (RTA) is M/s KFin Technologies Ltd. ('KFin') The communication address of our Registrar and Share Transfer Agent (RTA) is Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana, 500032.

12. a) In compliance with MCA Circulars and SEBI Circulars physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY22) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s) as on 2nd December, 2022 (closing hours). The Members may note that the Notice calling the AGM along with the Annual Report 2021-22 has been uploaded on the website of the Company at www.ptcfinancial.com. The Notice of the AGM along with Annual Report 2021-22 can also be accessed from the websites of the BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and on the website of KFIN Technology Limited ("agency for providing the Remote e-voting and e-voting facility/ KFin") i.e. https://evoting.kfintech.com/.

    b) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd December, 2022 being cut-off date are eligible to cast vote through remote e-voting or voting in the AGM only if they are holding shares as on that date.

13. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

14. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT

In accordance with the MCA Circulars and SEBI Circulars Notice of the AGM along with the Integrated Report for the financial year 2021-22 is being sent to the Members, trustees of debenture holders and to all other persons so entitled in electronic mode only, whose email addresses has been registered with the Company/ Depository Participants ('DPs')/ Depository/ KFIN.

Members are requested to verify/ update their details such as email address, mobile number etc. with their DPs, in case the shares are held in electronic form and with KFIN, in case the shares are held in physical form. Those Members who have not yet registered their email addresses and consequently, have not received the Notice and the Integrated Report, are requested to get their email addresses and mobile numbers registered with KFIN, by following the guidelines mentioned below:

i) Visit the link https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx
ii) Select the company name i.e. PTC India Financial Services Limited.
iii) Enter DPID-CLIENT ID (in case shares are held in electronic form)/ Physical Folio No. (in case shares are held in physical form) and PAN.
iv) If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating the records.
v) In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
vi) Enter the email address and Mobile No.
vii) System will check the authenticity of DPID-CLID/ Physical Folio No. and PAN/Certificate No., as the case may be, and will send the OTPs at the registered Mobile No. as well as email address for validation.
viii) Enter the OTPs received by SMS and email to complete the validation process. Please note that the OTPs will be valid for 5 minutes only.
ix) The Company through KFIN will send the Notice, Integrated Report and the e-voting instructions along with the User ID and Password to the email address given by you.
x) Alternatively, Members may send a copy of the share certificate (in case shares are held in physical form) to enable KFIN to register their e-mail address and to provide them the Notice, Integrated Report and the e-voting instructions along with the User ID and Password at the email id einward.ris@kfintech. com.
xi) Kindly note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of Notice, Integrated Report and the e-voting instructions along with the User ID and Password. Such Members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.
xii) In case of queries, Members are requested to write to einward.ris@kfintech.com or call at the toll free number 1800 309 4001.
xiii) Members seeking hard copy of Annual Report and Notice of AGM are requested to place their request via email at info@ptcfinancial.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

15. **Procedure for Remote E-Voting**

a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the provisions of Regulation 44 of the Listing Regulations and MCA Circulars, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin on all Resolutions set forth in this Notice, through remote e-voting. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility.

b) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFin for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

c) The remote e-voting facility will be available during the following period:

Day, date and time of Commencement of remote e-voting	**From:** Tuesday, 27th December, 2022 at 9:00 A.M.
Day, date and time beyond which remote e-voting will not be allowed	**To:** Thursday, 29th December 2022 at 5:00 P.M.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a Resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are explained below:-

Step 1: Access to NSDL/CDSL e-Voting System

1. **Login method for e-Voting : Applicable only for Individual shareholders holding securities in Demat**

As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Entities, Individual Shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts/websites of Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility. The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

A. **Login method for Individual shareholders holding securities in demat mode is given below:**

NSDL	CDSL
1. **User already registered for IDeAS facility of NSDL:** I. URL: https://eservices.nsdl.com; II. Click on the "Beneficial Owner" icon under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name : **PTC India Financial Services Limited or E-Voting Service Provider** and you will be re-directed to **e-Voting service provider ("Kfin")** website for casting the vote during the remote e-Voting period.	1. **Existing user who have opted for Easi / Easiest of CDSL** I. Visit URL: **https://web.cdslindia.com/myeasi/home/login** **or** **URL: www.cdslindia.com** II. Click on **"New System Myeasi"** icon III. Login with your registered user id and password. IV. Option will be made available to reach e-voting page without any further authentication. V. You will see the **e-Voting Menu**. The menu will have links of **E-voting Service Provider i.e. KFin e-Voting portal** where the e-voting is in progress. VI. Click on e-voting service provider – **"Kfin"** to cast your **vote.**

2. **User not registered for IDeAS e-Services facility of NSDL**	2. **User not registered for Easi/Easiest facility of CDSL**
I. To register click on link: https://eservices.nsdl.com II. Select **"Register Online for IDeAS"** or click on the link: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. After successful registration, please follow steps given in Point No. 1 above to cast your vote.	I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. After successful registration, please follow steps given in Point No. 1 above to cast your vote.
3. **By visiting the e-Voting website of NSDL** I. Visit URL: https://www.evoting.nsdl.com/ II. Click on the icon "**Login**" which is available under "**Shareholder/Member**" section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/through generation of OTP (in case your mobile/ e-mail address is registered in your demat account) and Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select Name of the Company: **PTC India Financial Services Limited** or the E-Voting Service Provider, i.e. KFin. V. On successful selection, you will be redirected to the e-Voting page of KFin to cast your vote without any further authentication.	3. **Users may directly access the e-Voting module of CDSL as per the following procedure:** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. IV. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against PTC India Financial Services Limited or select E-Voting Service Provider "KFin" and you will be re-directed to the e-Voting page of KFin to cast your vote without any further authentication.

B. Individual Shareholders (holding securities in demat mode) login through their depository participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against the Company's Name: PTC India Financial Services Limited or E-Voting Service Provider - KFin and you will be redirected to e-Voting website of Kfin for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forgot Password option available at the NSDL and CDSL websites

Help Desk for Individual Shareholders of the Company holding Shares of the Company in demat mode facing any technical issue related to login through NSDL	**Help Desk for Individual Shareholders of the Company holding Shares of the Company in demat mode facing any technical issue related to login through CDSL**
Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

16. **Login method for e-Voting for Shareholders other than Individual shareholders holding Shares of the Company in demat mode and Shareholders holding Shares in physical mode**

A. Members whose email IDs are registered with the Company/ Depository Participants, will receive an email from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password: They will have to follow the following process:

I. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

II. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

III. After entering these details appropriately, click on "LOGIN".

IV. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

V. You need to login again with the new credentials.

VI. On successful login, the system will prompt you to select the "EVEN" i.e., 'PTC India Financial Services Limited- AGM" and click on "Submit"

VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date i.e 23rd December 2022 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on cut-off date. You may also choose the option ABSTAIN. Pursuant to Clause 16.5.3(e) of Secretarial Standard on General Meetings ("SS-2") issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government, in case a Member abstains from voting on a Resolution i.e., the Member neither assents nor dissents to the Resolution, then his/her/ its vote will be treated as an invalid vote with respect to that Resolution.

VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

X. You may then cast your vote by selecting an appropriate option and click on "Submit".

XI. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

XII. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id ashishkapoorandassociates@gmail.com with a copy marked to evoting@kfintech.com.

In case if the authorized representative attends the Meeting, the above mentioned documents shall be submitted before the commencement of AGM.

B. Members whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

I. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFin, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

II. Alternatively, member may send a copy of share certificate in case of physical folio to enable KFIN to register their e-mail address for sending the Annual report, Notice of AGM and the e-voting instructions at the email id einward.ris@kfintech.com.

III. In order to enable the Company to comply with MCA circulars and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) permanently for sending the Annual report, Notice of AGM and the e-voting instructions.

IV. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

17. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFin. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC shall open atleast 15 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox22.

iv. Members will be required to grant access to the webcam to enable VC. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vi. The members attending the AGM who have not already caste their voting by e-voting will be able to exercise their voting at the AGM. The Members who have cast their vote by remote e-Voting prior to the AGM may attend / participate in the AGM through VC but shall not be entitled to cast their vote on such resolution again.

vii. Institutional Members are encouraged to attend and vote at the AGM through VC.

18. GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS AT THE AGM:

a. A Member can opt for only a single mode of voting i.e. through remote e-voting or e-voting at the AGM. Members who are present at the AGM through VC facility and have not cast their votes on the Resolutions through remote e-voting may cast their votes during the AGM through the e-voting system provided by KFin during the AGM. Members who have already cast their votes by remote e-voting are eligible to attend the AGM; however, these Members are not entitled to cast their vote again in the AGM.

b. The e-Voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM. Upon clicking the e-voting window, Members will be directed to the **"Instapoll"** page. An icon, **"Vote"**, will be available at the bottom left on the Meeting Screen.

c. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Members shall be guided on the process during the AGM.

d. The voting rights of Members shall be in proportion to the paid-up value of their shares in the Equity Share capital of the Company as on the cut-off date i.e. 23rd December 2022. Members are eligible to cast their vote either through remote e-voting or in the AGM by insta poll only if they are holding Shares as on that date. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.

e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting i.e., 23rd December 2022, he/she/it may obtain the User ID and Password in the manner as mentioned below:

   a) If the **mobile number** of the Member is **registered** against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to **9212993399**

      - **Example for NSDL:**
        MYEPWD <SPACE>
        IN12345612345678

      - **Example for CDSL:**
        MYEPWD <SPACE>
        1402345612345678

      - **Example for Physical:**
        MYEPWD <SPACE>
        XXXX1234567890

   b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

f. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin at Toll free number 1800-309-4001 or write to them at evoting@ kfintech.com

g. Member may send an e-mail request to **evoting@kfintech.com**. However, KFin shall endeavor to send User ID and Password to those new Members whose e-mail IDs are available.

h. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of (https://evoting.kfintech.com/public/Faq.aspx (KFin Website) or contact Mr. Raj Kumar Kale, Assistant General Manager – RIS at rajkumar.kale@kfintech.com or evoting@ kfintech.com or call KFin's Toll Free No. 1800-309-4001 for any further clarifications

i. This AGM has been convened through VC in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars referred point 1 of the notes.

1. In terms of the relevant Circulars, at-least 1,000 Members are allowed to register and participate at the AGM through VC, strictly on a first-come-first-serve basis. However, the said restriction is not applicable to large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

2. Members can participate at the AGM through desktop/phone/laptop/tablet. However, for better experience and smooth participation, it is advisable to use Google Chrome, through Laptops connected through broadband, for the said purpose.

3. Members who participate using their desktop/phone/laptop/tablet and are connected via Mobile Hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any of the said glitches.

4. Further, Members will be required to allow access to the camera on their desktop/phone/laptop/tablet and are requested to use Internet service with a good connectivity, for smooth participation at the AGM.

19. All the documents referred to in this Notice and the Explanatory Statement setting out the material facts in respect of Item nos. 4 to 9 thereof and the Statutory Registers, will be made available for inspection by the Company and as such the Members are requested to send an email to info@ptcfinancial.com

20. Members may contact the Company or KFIN for conveying grievances, if any, relating to the conduct of the AGM, at the following address:

KFin Technologies Private Limited
Unit: PTC India Financial Services Limited
Selenium Tower B, Plot Nos. 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad, Telangana - 500032
Toll Free No.1800 3094 001
Email: einward.ris@kfintech.com
Contact Person:
Shri Raj Kumar Kale, Assistant General Manager(RIS)

21. **SCRUTINIZER FOR E-VOTING AND DECLARATION OF RESULTS:**

   a. Mr. Ashish Kapoor (Membership FCS No. 8002) of M/s. Ashish Kapoor & Associates, has been appointed as Scrutinizer to scrutinize the e-voting process as well as e-voting during the AGM, in a fair and transparent manner.

   b. The Scrutinizer will, after the conclusion of the e-voting at the AGM, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman of the Company or any other person of the Company authorised by the Chairman, who shall countersign the same. The Results shall be declared within two working days of the conclusion of the AGM as required under Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   c. The results declared along with the consolidated Scrutinizer's Report will be placed on the website of the Company at www.ptcfinancial.com and the website of KFin: https://evoting.kfintech.com immediately after the results are declared and will simultaneously be forwarded to BSE Limited and NSE, where the Equity Shares of the Company are listed.

d. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 30th December 2022 subject to receipt of the requisite number of votes in favour of the Resolutions.

22. SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM:

a) Members desiring any additional information or having any question or query pertaining to the business to be transacted at the AGM are requested to write from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number to the Company's investor email-id i.e. **info@ptcfinancial.com** so as to reach the Company by **27th December 2022**, to enable the Management to keep the information ready. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.

b) Alternatively, Members holding shares as on the cut-off date may also visit **https://evoting.kfintech.com/** and click on the tab **"Post Your Queries Here"** to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/ folio number, email ID and mobile number. The window shall be activated during the remote e-voting period and shall be closed by **29th December 2022**.

c) Members can also post their questions during AGM through the **"Ask A Question"** tab, which is available in the VC Facility.

23. SPEAKER REGISTRATION BEFORE AGM

Members of the Company, holding shares as on the cut-off date i.e. **23rd December 2022** and who would like to speak or express their views or ask questions during the AGM may register as speakers by visiting **https://emeetings.kfintech.com**, and clicking on **"Speaker Registration"** during the period from **26th December 2022** to **28th December 2022**. Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

24. KPRISM – MOBILE SERVICE APPLICATION BY KFINTECH:

Members are requested to note that Kfin has launched a mobile application – KPRISM and a website **https://kprism.kfintech.com** for online service to Shareholders.

Members can download the mobile application, register themselves (one time) for availing host of services viz., view of consolidated portfolio serviced by KFin, Dividend status, request for change of address, change/ update Bank Mandate. Through the Mobile application, Members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Members may alternatively visit the link **https:// kprism.kfintech.com/app/** to download the mobile application.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 3 & 4

Appointment of M/s Lodha and Co as Statutory Auditors of the Company:

Based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on November 26, 2022 have appointed M/s Lodha and Co., Chartered Accountants (FRN 301051E) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s MSKA & Associates, Chartered Accountants, Chartered Accountants (FRN: 105047W).

In this connection this is to inform the members that in accordance with the provisions of Section 139 (8) of the Companies Act, 2013, such appointment shall also be approved by the members of the Company at a general meeting convened within three (3) months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.

Also, the Board considered various parameters like capability of M/s Lodha and Co., Chartered Accountants to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc.

The Board found M/s Lodha and Co., Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. Therefore, considering the experience and expertise of M/s Lodha and Co., Chartered Accountants, in compliance with the provisions of Section 139 of the Companies Act, 2013 read with Reserve Bank of India (RBI) circular No. Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 on "Guidelines for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors of Commercial Banks, UCB and NBFCs (including HFCs), the Board, considering the recommendation of the Audit Committee, recommended the proposal to appoint them as Statutory Auditors of the Company for a period of three (3) consecutive years commencing from 26th November 2022 till the conclusion of the AGM to be held in year 2025.

Details required to be provided as per Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the appointment of the Statutory Auditors is provided below:

S No.	Particulars	Details
1.	Proposed fees payable to the statutory auditor(s)	Rs. 31,00,000/- (Indian Rupees Thirty One Lakhs Only) inclusive of Tax Audit Fees of Rs. 2,00,000/- (Indian Rupees Two Lakhs Only) in addition to applicable taxes and reimbursement of out of pocket expenses, if any and/or such other remuneration as may be decided by the Board of Directors from time to time.
2.	Terms of appointment	For a term of Three (3) consecutive years commencing from 26th November 2022 till (including the term of casual vacancy) till the conclusion of Annual General Meeting to be held in the year 2025.
3.	Any material change in the fee payable to the new auditor from that paid to the outgoing auditor along with the rationale for such change	There are no material changes in the fee payable to new Statutory Auditors from that paid to the outgoing Statutory Auditors.
4.	Brief profile of the firm	Lodha & Co., a firm of Chartered Accountants having its Head Office at 14, Government Place East Kolkata 700069 was founded in 1941. It has branches in Mumbai, Delhi, Hyderabad, Chennai and Jaipur. The firm has 15 Partners and a dedicated team of more than 77 Professionals. Staff strength of the firm, other than Professional Staff, is around 230 personnel. The firm is currently providing Assurance, Taxation, Accounting and Advisory Services. It has experience of working with several Multinational Companies, listed entities and companies with Multiproducts and Services. It is empaneled with Controller and Auditor General of India and Reserve Bank of India and is currently eligible to carryout Statutory Audit of Maharatna and large Public Sector Banks. Further, the firm is registered with Public Company Accounting Oversight Board (PCAOB) and therefore eligible to conduct the audit of Indian subsidiaries/ associates of companies listed in USA. The firm having more than 80 years of professional experience, has presence in major Business Groups, Banks and various non-Government and Government organizations in India.

Besides the Audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee.

Lodha and Co., Chartered Accountants have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies, Act 2013 and other applicable rules and regulations.

In light of the above facts the Board of Directors recommends the passing of the Resolutions contained in Items (3 & 4) of the accompanying Notice as an Ordinary Resolutions.
None of the Directors and Key Managerial Personnel of the Company, or their relatives, are interested in this Resolutions.

Item 5 & 6

Appointment of Dr. Rajib Kumar Mishra (DIN: 06836268) and Mr. Pankaj Goel (DIN: 03006647) as Non-executive Director- Nominee PTC India Limited

Dr. Rajib Kumar Mishra (DIN: 06836268) and Mr. Pankaj Goel (DIN: 03006647), were appointed as Nominee Directors of PTC India Limited (Promoter Company) on the Board of Company w.e.f. 8th November, 2021 upon the recommendation of the Nomination & Remuneration Committee.
The Company has received a notice in writing as per Section 160 of the Companies Act, 2013 ("the Act"), proposing their candidatures for the office of Non-Executive Director on the Board of the Company. The above appointment of Dr. Rajib Kumar Mishra and Mr. Pankaj Goel, as Directors requires approval

of the Members in the AGM. Dr. Rajib Kumar Mishra and Mr. Pankaj Goel have confirmed that they are not disqualified from being appointed as Director under Section 164 of the Act and have not been debarred from appointment by any order of SEBI or any other authority.

The Board recommends the resolution set out at Item no. 5 and 6 of the notice for your approval.

None of the Directors or Key Managerial Personnel and their relatives except Dr. Rajib Kumar Mishra and Mr. Pankaj Goel and their relatives respectively (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 and 6

Brief Resume of Dr. Rajib Kumar Mishra

Dr. Rajib Kumar Mishra has professional experience of more than 30 years with Powergrid, PTC and PTC India Limited. Dr Mishra is a Director (Marketing & Business Development) with additional change of CMD of PTC India Limited. Dr. Rajib Kumar Mishra is Ph. D (Business Admin.) from Aligarh Muslim University. He was accorded Visiting Scholar status by University of Texas, Austin in 2008 for his Post-doc research. He graduated in Electrical Engineering from NIT, Durgapur and did his post graduation from NTNU, Norway under NORAD Fellowship.

Brief Resume of Mr. Pankaj Goel

Sh. Pankaj Goel is an alumnus of SRCC and a qualified Chartered Accountant & Cost Accountant. Shri Pankaj Goel is a Chief Financial Officer of PTC India. He has 30 years of professional experience in diversified areas including Treasury, Project Finance, Internal Financial Control, budgeting and financial concurrence.

The Board considers that Dr. Rajib Kumar Mishra and Mr. Pankaj Goel's association would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation of appointment of Dr. Rajib Kumar Mishra and Mr. Pankaj Goel as Nominee Directors, for the approval of members of the Company as Ordinary Resolution(s).

Item 7 to 9

Appointment of Smt. Seema Bahuguna (DIN: 09527493), Smt. PV Bharathi (DIN: 6519925) and Mr. Naveen Bhushan Gupta (DIN: 00530741) as Independent Directors of the Company

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee (NRC) and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company appointed Smt. Seema Bahuguna (DIN: 09527493), Smt. PV Bharathi (DIN: 6519925) and Mr. Naveen Bhushan Gupta (DIN: 00530741) as Additional Independent Directors of the Company with effect from 15th November 2022, who hold office only up to the date of ensuing Annual General Meeting of the Company.

Accordingly, Board of Directors of the Company recommended the names of Smt. Seema Bahuguna, Smt. PV Bharathi and Mr. Naveen Bhushan Gupta for appointment as Independent Directors of the Company not liable to retire by rotation for a period of three (3) consecutive years from 15th November 2022 for their first term.

Smt. Seema Bahuguna, Smt. PV Bharathi and Mr. Naveen Bhushan Gupta meet the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:

a. Experience of Financial and Legal matters.

b. Experience in handling management and regulatory environment, strategic planning and risk management.

c. Experience of Corporate Governance matters

The Board of Directors is of the view that all the appointees are person of integrity and possesses relevant expertise and experience to be appointed as an Independent Director of the Company. Further in their opinion they fulfil the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management. The appointees have provided their consent for the said appointment and also confirmed they are not;

a. debarred from appointment by any order of SEBI or any other authority; and

b. is not liable to any disqualification under the provisions of Section 164 of the Act.

Brief Resume of Smt. Seema Bahuguna:

Smt. Seema Bahuguna IAS (Retd.) (IAS: 1983; Rajasthan) is former Secretary DPE, Government of India. She has over 36 years of experience in formulation, development and implementation of policies, strategies and programs at senior decision-making levels in the central and state governments.

Brief Resume of Smt. PV Bharathi:

Smt. PV Bharathi is former MD & CEO of Corporation Bank. She has been Board member/ID of several banking and financial sector companies. She has very good experience in infrastructure finance and risk management

Brief Resume of Mr. Naveen Bhushan Gupta:

Mr. Naveen Bhushan Gupta is a Chartered Accountant. He has vast experience in accounting, finance, resource mobilizing etc. He has served as Director Finance of India's Largest Maharatna NBFC – PFC.

Notice(s) under Section 160 of the Act received from member(s) of the Company signifying their candidature(s) as Independent Director(s) of the Company.

The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Independent Director(s).

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors recommend the resolutions as set out at Item Nos. 7 to 9 of the Notice for approval of the shareholders as Special Resolutions.

Smt. Seema Bahuguna, Smt. PV Bharathi and Mr. Naveen Bhushan Gupta are not related to any of the existing Directors or the Key Managerial Personnel or the Promoters of the Company, financially or otherwise.

Smt. Seema Bahuguna, Smt. PV Bharathi and Mr. Naveen Bhushan Gupta, being appointee(s) are deemed to be concerned or interested in their respective resolution(s).

Save as provided above, none of the Directors or Key Managerial Personnel of the Company or their relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolution nos. 7 to 9 as set out in the Notice.

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

Sd/–
Shweta Agrawal
Company Secretary

Place: New Delhi
Date: 03rd December, 2022

Address: 7th Floor, Telephone Exchange Building,
8 Bhikaji Cama Place, New Delhi-110066

Details under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard on General Meetings (SS-2), in respect of the Directors seeking appointment

Name of Director (DIN)	**Dr. Pawan Singh (DIN:00044987)**	**Dr. Rajib Kumar Mishra (DIN: 06836268)**	**Mr. Pankaj Goel (DIN: 03006647)**	**Smt. Seema Bahuguna (DIN: 09527493)**	**Smt. PV Bharathi (DIN: 6519925)**	**Mr. Naveen Bhushan Gupta (DIN: 00530741)**
Date of Birth and Age	19^{th} October 1961, 61 Years	1^{st} March, 1963, 59 Years	19^{th} December 1969, 52 Years	14^{th} September 1959, 63 years	22^{nd} March 1960, 62 years	11^{th} June 1960, 62 years
Terms and conditions of appointment/ re-appointment including remuneration	As approved by the members of the Company.	As provided in explanatory statement. Apart from sitting fee(s) the Non- Executive Directors are not entitled for any kind of remuneration from the Company.				
Details of remuneration last drawn	NA					
Date on which first appointed on the Board	03^{rd} October 2018	23^{rd} June 2017	08^{th} November 2021	15^{th} November 2022	15^{th} November 2022	15^{th} November 2022
Details of shareholding in the Company directly or on beneficial basis	Nil	Nil	Nil	Nil	Nil	Nil
Number of Board meetings attended during the year	Details provided in Corporate Governance Report.			NA	NA	NA
Board memberships of other Companies	1. PTC Energy Limited	1. PTC India Ltd. 2. PTC Energy Limited 3. Hindustan Power Exchange Limited 4. Teesta Urja Limited	Nil	1.Fullerton India Credit Company Limited 2.India International Bullion Exchange IFSC Ltd.	1. IDFC FIRST Bharat Ltd. 2. IDBI Bank Ltd.	Nil
Chairperson/ Member of the Committee of the Board of Directors of Company	1.Stakeholders Relationship Committee-Member 2. Risk Management Committee-Member 3. Corporate Social Responsibility Committee-Member 4. IT Strategy Committee-Member 5. Business Committee-Member	1. Nomination and Remuneration Committee-Member	1. Audit Committee-Member 2.Nomination and Remuneration Committee -Member 3.Stakeholders Relationship Committee -Member 4.Risk Management Committee-Member -Member 5.Corporate Social Responsibility Committee -Member 6. IT Strategy Committee -Member 7. Business Committee -Member	1. Nomination and Remuneration Committee-Chairperson	1. Audit Committee-Member	1. Audit Committee-Chairperson

Chairperson/ Member of the Committee of the Board of Directors of other Companies	Nil	1. PTC India Ltd.-Group of Directors for BD/ Investment and Disinvestments-Chairman 2. PTC Energy Limited-Corporate Social Responsibility Committee-Member	NA	IIBX-Nomination and Remuneration Committee-Member	1. IDFC FIRST Bharat Ltd.: Risk Management Committee-Member Audit Committee-Member 2. IDBI Bank Ltd. Risk Management Committee—Chairperson Audit Committee-Member Corporate Social Responsibility Committee-Member	NA
Name of Listed Companies from which resigned/ retired during last three (3) years	Not applicable since not resigned from any listed company during last three (3) financial years.					1. PTC India Ltd. 2. Power Finance Corporation Ltd.
Relationship with other Directors/ Manager/ KMPs of the Company	Not related					

PTC India Financial Services Limited
BOARD'S REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present the Sixteenth (16th) Annual Report together with the Audited Financial Statements of your Company ("the Company" or "PTC India Financial Services Limited / PFS") for the financial year ended 31st March 2022.

1. **Financial Performance and State of Company's Affairs**

The summarized financial results of your Company are given in the table below.

(Rs. in Crore)

	Standalone		Consolidated	
	FY2021-22	**FY2020-21**	**FY2021-22**	**FY2020-21**
Total Income	**968.74**	**11,39.45**	**968.74**	**11,39.45**
Profit/(loss) before Finance Charges, Depreciation & Tax (EBITDA)	759.75	850.87	759.75	850.87
Finance Charges	579.77	751.50	579.77	751.50
Depreciation and Amortization	6.07	5.95	6.07	5.95
Provision for Income Tax (including for earlier years)	43.93	67.81	43.93	67.81
Net Profit/(Loss) After Tax	**129.98**	**25.60**	**129.98**	**25.60**
Other Comprehensive Profit /(Loss) for the year	9.33	(6.57)	9.33	(6.57)
Total Comprehensive Profit /(Loss) for the year	**139.32**	**19.03**	**139.32**	**19.03**

In FY 2021-22 the total income decreased by 15% from Rs 1139.45 crore in FY 2020-21 to Rs 968.74 crore. However, this got offset significantly by decrease in finance cost by 23% to Rs 581.47 crore as compared to Rs 752.98 crore in FY 2020-21. In FY 20-21, the spread on earning portfolio has improved to 3% from 2.71% and NIM on earning portfolio has improved from 3.47% to 4.19%. The other expenses decreased by 51% to Rs 16.99 crore during FY 2021-22 as compared to Rs 34.92 crore in FY 2020-21, the decrease in provision is due to one-time provision made during the FY 2020-21 amounting to Rs 10.39 crore for payment made to YIEDA towards stamp duty for purchase of land. Other income increased by 79% to Rs 15.86 crore during FY 2021-22 compared to Rs 8.88 crore in FY 2020-21. Provision for Impairment on Financial Instruments has decreased to Rs 167.86 crore in FY 2021-22 from Rs 231.84 crore in FY 2020-21.

In FY 2020-21, PFS focused on diversified sources of borrowings and also on reduction of cost of borrowings. During FY 2021-22, PFS received fresh sanctions of long-term loans of Rs 3,600 crore from existing lender viz Canara Bank, Union Bank of India, State Bank of India, Bank of Baroda, Indian Bank and Bank of Maharashtra. PFS was able to reduce the Debt: Equity ratio during the year to 3.14 from 4.27 in FY 2020-21. The ratio of long-term borrowings to short-term borrowings has also been maintained at comfortable level at 95:5 in FY 2021-22 against 88:12 in FY 2020-21 which indicates the strengthening of our cash flows and reduced payment obligations in the short-term. The Company has maintained sufficient liquidity in the form of High Quality Liquid Assets (HQLA) as per RBI guidelines and undrawn lines of credit to meet its financial obligation in foreseen future.

As at March 31, 2022, for loans under stage I and stage II, the management has determined the value of secured portion on the basis of best available information including book value of assets / projects as per latest available balance sheet of the borrowers, technical and cost certificates provided by the experts and valuation of underlying assets performed by external professionals appointed either by the Company or consortium of lenders. For loan under stage 3, the management has determined the value of secured portion on the basis of best available information, including valuation of underlying assets by external consultant / resolution professional (RP) for loan assets under IBC proceedings, claim amount in case of litigation and proposed resolution for loan under resolution through Insolvency and Bankruptcy Code (IBC) or settlement. The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects / assets of borrowers under IBC.

During the FY 2021-22, with the focused efforts of the management, one NPA loan accounts amounting to Rs. 206.92 crore were resolved and few loan accounts are on verge of resolution. During the year gross NPAs have decreased from Rs. 824.11 crore to Rs. 724.09 crore and net NPAs have increased from Rs. 313.06 crore to Rs. 386.84 crore. For FY 2021-22, Gross NPA as a % to gross advances was 8.29% and Net NPA as a % to net advances was 4.67% as compared to 7.64% and 3.08% respectively for FY 2020-21. The Company is continuously focusing on resolving the stress assets and the efforts may result in better profitability in coming years. Most of the NPA accounts belong to legacy portfolio primarily comprising of Thermal projects. The Company is shifting its focus on other areas including renewable energy because of which the company's exposure to thermal has reduced to 10% in FY 2021-22 in comparison to 30% as at FY 2015-16.

The profit before tax (PBT) for FY 2021-22 stood at Rs. 173.91 crore compared to Rs. 93.42 crore in FY 2020-21. The profit after tax (PAT) for FY 2021-22 stood at Rs. 129.98 crore against Rs. 25.60 crore in FY 2020-21.

For ensuring robust quality of portfolio, PFS continues to strengthen credit appraisal process and risk management function, PFS has further strengthened the project monitoring function and implemented early warning signal framework for early identification of stress in assisted projects, and, a special team has been set up to deal with and find resolution of stressed assets.

For further details of Summary of Operations, State of Company's Affairs, Industry Scenario and Outlook, please refer Management Discussion and Analysis Report.

2. **Net Owned Funds and Earnings Per Share (EPS)**

The Net Owned Funds of the Company aggregated to Rs. 1944.67 crore and the total Capital Funds aggregated to Rs. 1990.19 crore as at 31st March 2022. The percentage of aggregate risk weighted assets on the balance sheet and the risk-adjusted value of off-balance sheet items to Net Owned Funds is 26.71% as at 31st March 2022.

EPS of the Company for FY 2021-22 stands at Rs. 2.02 per share in comparison to Rs. 0.40 per share for FY 2020-21.

3. **Reserves**

Out of the profits earned during FY 2021-22, the Company has transferred an amount of Rs. 26.00 crore to Statutory Reserve in accordance with the requirements of Section 45-IC of the Reserve Bank of India Act, 1934 and Rs. 146.74 crore to the Impairment Reserve.

4. **Dividend**

Based on Company's performance, the Board of Directors did not recommend the dividend for the FY 2021-22.

5. **Fixed Deposits/Public Deposits**

Your Company has not accepted any deposits during the year from public in terms of provisions of Companies Act, 2013 ("the Act"). Further, at the end of the financial year, there were no unclaimed, unpaid or overdue deposits.

6. **Capital Adequacy Ratio**

The Capital Adequacy Ratio as on 31st March 2022 stood at 26.71% compared to 24.10% as on 31st March 2021. No adverse material changes affecting the financial position of the Company have occurred during the financial year.

7. **Material changes and commitments, if any, affecting the financial position of the Company**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate (i.e. 31st March 2022) and the date of the report. No adverse Material changes affecting the financial position of the Company have occurred during the Financial Year.

8. **Particulars of loans, guarantees and investments under Section 186**

The particulars of loans, guarantees and investments forms part to the notes of the financial statements provided in this Annual Report.

9. **Share Capital/ Finance**

During the period under review, no change has taken place with regard to capital structure of the Company.

As on 31st March 2022, PFS has a paid- up share capital aggregating to Rs. 6,422.83 million comprising of 642,283,335 equity shares of Rs. 10/- each fully paid- up. The promoter i.e. PTC India Limited holds 64.99% of the paid up share capital of the Company as on 31st March 2022. The equity shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

10. **Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Returns are available on the Company's website at https://www.ptcfinancial.com/cms/showpage/page/annual-reports.

11. **Directors and Key Managerial Personnel**

In accordance with provisions of the Act and Articles of Association of the Company, Mr. Pawan Singh shall retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment. The Board recommend his re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Details of other changes in the composition of Board during the period under review have been specifically mentioned in the report on the Corporate Governance which is annexed with this report.

12. **Dividend Distribution Policy**

As per Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has adopted the Dividend Distribution Policy to set out the parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to its shareholder.

The Dividend Distribution Policy is available on Company's website, at:-

http://www.ptcfinancial.com/upload/pdf/Dividend%20Distribution%20Policy-PFS.pdf

13. **Details of Board meetings**

Ten Board Meetings were held during the financial year ended on 31st March 2022. The details of which are given below:-

Sl. No.	Date of the meeting	No. of Directors attended the meeting
1	17th May 2021	09
2	08th June 2021	09
3	21st June 2021	09
4	28th July 2021	09
5	05th August 2021	09
6	28th August 2021	09
7	13th September 2021	09
8	29th September 2021	09
9	12th October 2021	08
10	08th November 2021	06
11	09th November 2021	08

Further, the attendance of each director is more specifically mentioned in the report of Corporate Governance, which is a part of this Report.

14. **Committees of Board**

The Board have all Statutory Committees that are given below:-

1) Audit Committee
2) Nomination and Remuneration Committee
3) Corporate Social Responsibility Committee
4) Stakeholders' Relationship Committee
5) Risk Management Committee
6) IT Strategy Committee

Further, Committees of the Board and Group of Directors are formed from time to time for specific purpose.

During FY 2021-22, a CSR Committee Meeting of PFS could not be held, due to unavoidable circumstances. Hence, no CSR projects were approved/executed during the year. The unspent amount was, therefore, transferred to IIT Delhi Endowment Fund, on 29th September 2022, in compliance with Section 135 read with Schedule VII ix (b) of the Act.

The details of the Committees, their meetings and other disclosures are mentioned in the Corporate Governance report, which forms part of this report.

15. **Corporate Social Responsibility**

As a good corporate citizen, the Company is committed to ensuring its contribution to the welfare of the communities in the society where it operates, through its Corporate Social Responsibility ("CSR") initiatives.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board.

The objective of PFS's CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders.

To attain its CSR objectives in a professional and integrated manner, PFS shall undertake the CSR activities as specified under the Act. As on 31st March 2022 the composition of the CSR Committee, the details of meetings and attendance thereof are mentioned in the Corporate Governance report, which forms part of this report.

The CSR Policy is available at the link at website of the Company, at http://www.ptcfinancial.com/upload/pdf/corporate_social_responsibility_policy.pdf

During the year under review, no change was carried out in the policy.

During FY 2021-22, a CSR Committee Meeting of PFS could not be held, due to unforeseen circumstances, which resulted in non-approval of any CSR projects.

Further, the report on CSR Activities/ Initiatives including all statutory details is annexed with this report as **Annexure- I.**

16. **Vigil mechanism/Whistle Blower Policy**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In compliance with requirements of the Act and SEBI Listing Regulations, the Company has established a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. 'Whistleblowing' is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing. The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behavior etc. The policy provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no complaint has been received.

The Whistle Blower policy is available at:-

http://www.ptcfinancial.com/upload/pdf/whistle_blower_policy.pdf

17. **Directors' Responsibility Statement**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 read with Section 134(5) of the Act, your Directors, to the best of their knowledge confirms that:

(a) in the preparation of the annual accounts for the year ended 31st March 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had 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 ended 31st March 2022 and of the profit and loss of the Company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. **Statutory Auditors, their Report and Notes to Financial Statements**

M/s. MSKA & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company in the 13th AGM of the Company for a period of five years till conclusion of 18th AGM of the Company. In accordance with RBI circular Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 issued subsequently in April, 2021, the tenure for statutory auditors of NBFCs was curtailed to a maximum period of three (3) financial years.

In view of above, M/s. MSKA & Associates, Chartered Accountants vacated office as Statutory Auditors of the Company after completing the audit engagement of financial year 2021-22.

Further, based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on November 26, 2022 had appointed M/s Lodha and Co., Chartered Accountants as the Statutory Auditors of the Company to fill such casual vacancy.

Also, in compliance with the provisions of Section 139 of the Act read with above referred RBI circular, the Board, after considering the recommendation of the Audit Committee, recommended the proposal to appoint them as Statutory Auditors of the Company for a period of three (3) consecutive years i.e. FY 2022-23 to 2024-25, subject to the requisite approval of members of the Company at the ensuing AGM.

Further, the Auditors of the Company while performing their duties as such has not found any fraud, which was required to be reported to the Board of Director or Central Government.

The Statutory Auditors in their Audit Reports on the Financial Statements of the Company for the financial year 2021-22, provided certain qualification, which forms part of the Annual Report.

In this connection this is to inform that:

a) On January 19, 2022, three (3) independent directors of the Company resigned mentioning lapses in corporate governance and compliance. Since then RBI, SEBI and ROC (the 'Regulators") have reached out to the Company with their queries regarding the allegations made by the then independent directors and directed the Company to submit its response against such allegations. SEBI also directed the Company to submit its Action Taken Report (ATR) together with Company's response against such allegations. Basis the forensic audit report which was received by the Company on November 04th, 2022 and other inputs from professional services firm retained by the Management, it has been decided that the management shall take necessary corrective actions and submit its ATR, if required, to the satisfaction of SEBI.

On February 11, 2022, RBI sent its team at the Company's office to conduct scrutiny on the matters alleged in the resignation letters of ex-independent directors. While the RBI's team completed its scrutiny at Company's office on February 14th, 2022 and the Company has satisfactorily responded to all queries and requests for information but has not received any further communication from RBI in this regard.

On November 04th, 2022, the Forensic auditor appointed by the Company, submitted its forensic audit report. The Company engaged a reputed professional services firm to independently review the management's response and independent review of documents supporting such response and commenting on such observations, including financial implications and any indication towards suspected fraud. The management's responses and remarks of professional services firm, together with report of forensic auditor, have been presented by the management to the Board in its meeting held on November 07th, 2022 and November 13th, 2022.

b) SEBI vide its email dated March 02nd, 2022, rejected the ATR submitted by the Company and not acceded the Company's request for conducting Board Meeting without an independent director. Subsequent to this, with recommendation of the Holding Company, the Company appointed four (4) independent directors through circular resolution. These directors are also independent directors on the Board of the Holding Company. Prior to the appointment of the independent directors, Chairman of PTC India Limited vide email dated March 25th, 2022 informed RBI and SEBI about the proposed nomination of four (4) independent directors of PTC India Limited to the board of the Company, and post appointment, disclosures on such appointments have been made to the stock exchanges. On April 19th, 2022, the Chairman, PTC India Limited sent another email to SEBI, with specific reference to earlier email dated March 25th, 2022, and SEBI in its email dated April 19th, 2022 has acknowledged the same. The Company has also made necessary communication to Stock Exchanges regarding appointment of directors and holding of board meetings. The Company, basis its discussions with SEBI and RBI as also summarized in such emails and advise received from external legal firm, believes that there is no non-compliance with SEBI's directions vide its email dated March 02nd, 2022. On June 28th, 2022, the SEBI also directed the Company for waiving-off with the requirements of regulation 17 (1C) of SEBI Listing Regulations regarding ratification of directors' appointment in shareholders' meeting within three (3) months from the date of their appointment by the Board.

c) Post resignation of ex-independent directors, the Company has not been able to comply with the various provisions of the Act and SEBI Listing Regulations related to non-constitution of committees and sub- committees of the Board, timely conduct of their meetings and non-filing of annual and quarterly results with respective authorities. The Company intends to file for application for compounding of offences for noncompliance of such provisions with respective authorities and does not expect any material financial impact. if any, due to fines/ penalties arising from such process.

d) As on the date of this report, the Composition of Board and Committees thereto, are complying with the relevant provisions of the Act and SEBI Listing Regulations.

19. **Secretarial audit**

Pursuant to provisions of Section 204 of the Act and rules mentioned thereunder, the Board of Directors of the Company appointed M/s. RDA & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of records and documents of the Company for the financial year 2021- 22. The Secretarial Audit Report is annexed as **Annexure- II.**

In the Secretarial Audit Report, it was emphasized that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors, however constitution of the Board of Director was not maintained in the quarter ending December, 2021 and March, 2022 due to resignation of maximum Directors including all Independent Directors, therefore the Company was not able to comply with the provisions of the Section 135, 149, 173, 177 and 178 of the Act along with Regulation 17, 18 19, 20, 21, 33, 52 and 54 of SEBI Listing Regulations during aforesaid period. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

In this connection this is to inform that as on the date of this report, the Composition of Board and Committees thereto, are complying with the relevant provisions of the Act and SEBI Listing Regulations.

Save as otherwise provided above, the Secretarial Audit Report is not having any observation/ remarks/ qualification etc.

20. **Related party transactions**

The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is available on the Company's website at the link:

https://www.ptcfinancial.com/upload/pdf/20150629_Policy_materiality_of_Related_Party_Transactions.pdf

Further, all the transactions are made in the ordinary course of business and on an arm's length basis.

Accordingly, information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure- III,** which is to be read with the relevant Notes to the Standalone Financial Statements.

21. **Human Resources**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A holistic assessment of manpower needs led to fresh recruitment at various level. A number of individual employee specific, group of employee specific and organizational wise programs that provide focused people attention are currently underway.

Your Company's thrust is on the development of talent internally through job enlargement, rotation and development.

Your Company's thrust on development of all levels of the employee has helped your organization achieve employee's loyalty and attachment to the Company. There is a huge opportunity for all of us to learn, practice and perform. Though the expectation from the employees are realistic, each employee get to work on challenging assignments, and a chance to learn, innovate and perform. Handholding, guidance & mentoring has a special place for a young team and organization. Sharing of knowledge and learning from the experience of seniors has helped us grow steadily.

Your Company's focus of human resource development is at all levels of organization including non-executive and support staff. The human resource development is critical to implementation organizational strategy and to make organization humble and responsive to the customers need. Employees are encouraged to participate and be part of the organizational growth and development strategy. Lateral entry at different levels keeps the organization vibrant.

22. **Industrial Relations**

Your Company has always maintained healthy, cordial, and harmonious industrial relations at all levels. Despite competition, the enthusiastic efforts of the employees have enabled the Company to grow at a steady pace.

23. **Risk Management Policy**

PFS has put in place a comprehensive policy framework for management of risks, which includes the following:-

- Risk Management Policy :- The Risk Management Framework of PFS encompasses credit risk, market risk, as well as operational risk management. The Risk Management Policy, evolved under the guidance of Risk Management Committee and duly approved by Board of Directors, is refined periodically based on emerging market trends and own experience. The Risk Management Committee is headed by Independent Director.

- 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.

24. **Employees' Stock Option Scheme**

The Shareholders' approval was obtained at the Annual General Meeting held on 27th October 2008 for introduction of Employee Stock Option Plan at PTC India Financial Services Limited. All the ESOPs made under the Employees' Stock Option Scheme-2008, have been surrendered and as on date no claim is outstanding.

25. **Declaration given by Independent Directors**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct for Directors and Senior Management Personnel.

All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). In the opinion of the Board, all the Independent Directors possess strong sense of integrity and have requisite experience, qualification and expertise. For further details, please refer the Corporate Governance report.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

26. **Company's policy on appointment and remuneration of Senior Management and KMPs**

As per the requirements of the Act, the Board of Directors of your Company has constituted a 'Nomination and Remuneration Committee'. The Committee's role is to be supported by a policy for nomination of Directors and Senior Management Personnel including Key Managerial Personnel as also for remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

The Policy of the Company on Nomination and Remuneration & Board Diversity is also placed on the website of the Company i.e. www.ptcfinancial.com and is also annexed to this report at **Annexure- IV.**

During the year under review, no change was carried out in the policy.

27. **Formal Annual Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI Listing Regulations.

The Company pays performance linked remuneration to its WTDs / MD. It is ensured that the remuneration is determined in a way that there exists a fine balance between fixed and incentive pay. On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The performance evaluation process and related tools are reviewed by the "Nomination and Remuneration Committee" on a need basis, and the Committee may periodically seek independent external advice in relation to the process. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

28. **Disclosure under the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013**

An Internal Complaints Committee has been constituted to look into grievance /complaints of sexual harassment lodged by employees as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, no complaints were received during the year and no complaint is pending on 31st March 2022.

29. **Internal financial controls and Internal Auditor**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Company has appointed M/s Grant Thornton India LLP as Internal Auditors of the Company. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Audit Committee has the responsibility for establishing the audit objectives and determines the nature, timing and extent of audit procedures as well as the locations where the work needs to be carried out.

The Internal Auditor monitors and evaluates the efficacy & adequacy of internal financial controls & internal control system in the Company that has been put in place to mitigate the risks faced by the organization and thereby achieves its business objective. Broadly, the objectives of the project assigned are:-

- Review the adequacy and effectiveness of the transaction controls;
- Review the operation of the Control Supervisory Mechanisms;
- Recommend improvements in processes management;
- Review the compliance with operating systems, accounting procedures and policies

The internal control and compliance are on-going process. Based on the findings and report of the internal auditor, process owners undertake corrective action that may be required in their respective areas for further strengthening the controls and control environment. Significant audit observations and corrective actions thereon are presented to the Audit Committee. The internal auditors also independently carry out the design evaluation and testing of controls related to requirements of Internal Financial Controls. The evaluation of design effectiveness and testing of controls for various business activities, processes and sub processes was carried out and found satisfactory.

30. **Cost Auditors**

The provisions of Cost Audit are not applicable to the Company.

31. **Details of Holding, Subsidiaries, Associates and Joint Ventures**

Your Company continues to be the subsidiary of PTC India Limited. Further, the Company has two associate companies namely M/s. R.S. India Wind Energy Private Limited and M/s. Varam Bio Energy Private Limited. The statement of performance and financial position of each of the associate companies is given in Form AOC-1 as **Annexure – V.**

The policy for determining material subsidiaries as approved may be accessed on the Company's website following link:

link: http://www.ptcfinancial.com/upload/pdf/20150629_Policy_on_determining_Material_Subsidiaries.pdf

32. **Corporate Governance Report**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India ("SEBI"). A separate report on Corporate Governance along with certificate from M/s. Dwivedi & Associates, Company Secretaries on compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is provided as part of this Annual Report.

33. **Management Discussion and Analysis**

The Management Discussion and Analysis comprising an overview of the financial results, operations/ performance and the future prospects of the Company form part of this Annual Report.

34. **Business Responsibility Report**

Pursuant to the Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective in the format as specified by the SEBI is given as **Annexure- VI.**

35. **Particulars of Employees**

The information pertaining to the remuneration and other details as required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-22; (Rs. in lakhs)

Name of Director	Director's Remuneration	Median Remuneration of employees	Ratio
Shri Naveen Kumar#	29.48	20.61	1.43 times
Dr Pawan Singh	88.27	20.61	4.28 times

 # Ceased w.e.f July 09, 2021

b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	%age Increase
Dr Pawan Singh#	-19.97%
Shri Naveen Kumar##	-66.33%
Shri Sanjay Rustagi#	-14.50%
Shri Vishal Goyal #	-13.86%

\# *Decrease in compensation as Performance Related Pay for the FY 2020-21 has not been paid in financial 2021-22, however the same has been paid in financial year 2022-23 to the above functionaries.*

\## *Decrease in compensation as he has not been paid Performance Related Pay in FY 2021-22, the same was paid to him in FY 2022-23. In addition, he has retired from service w.e.f July 09, 2021*

c. The median remuneration of the employees has decreased to Rs.20.61 lakhs during FY 2021-22 from Rs. 23.25 lakhs during FY 2020-21 as Performance Related Pay for the FY 2020-21 has not been paid in FY 2021-22, however the same has been paid in FY 2022-23 to the employees;

d. 45 permanent employees are on the rolls of company as at March 31, 2022;

e. The average remuneration decreased to Rs 24.43 lakhs in FY 2021-22 from Rs. 31.30 lakhs in FY 2020-21;

f. The average percentile decrease in the salary of employees other than the managerial personnel is from Rs 27.32 lakhs in FY 2020-21 to Rs 22.32 lakhs in FY 2021-22, resulting in an decrease of 18.32%.

g. The average remuneration of Key Managerial Personnel decreased to Rs 45.67 lakhs in FY2021-22 from Rs. 53.22 lakhs in FY2020-21, resulting in decrease of -14.18%. as Performance Related Pay for the FY 2020-21 has not been paid in financial 2021-22, however the same has been paid in financial year 2022-23 also, due to retirement of Mr Naveen Kumar w.e.f July 09th, 2021;

h. There are no employees who are in receipt of remuneration in excess of the highest paid director during the year;

i. It is affirmed that the remuneration is as per the remuneration policy of the Company.

A. Particulars of Top 10 employees in terms of remuneration

Sl. No.	Name & Designation	Nature of Employment	Remuneration Received (amount in Rs)	Qualification and Experience	Date of Commencement of Employment in the Company	Age	Last Employment	% of Quantity of shares held in the Company	If relative of any director or manager, name of such director or manager
1	Pawan Singh	Fixed Term	88,27,038.00	MBA, Ph D/ 38 years	1-Feb-12	60 yrs 6 months	Dir-F in PTC India Financial Services Limited	Nil	NA
2	Vijay Singh Bisht	Regular	74,18,307.00	BE & MBA/37 years	1-Aug-08	59 Yr 2 month	DGM Power Finance Corporation Limited	Nil	NA
3	Sitesh Kumar Sinha	Regular	70,37,754.00	B.E & PGDBM/22 years	22-Mar-11	46 Yr 4 month	Project Manager- Lahmeyer International (India) Pvt Ltd	Nil	NA
4	Vishal Goyal	Regular	46,16,188.00	MBA; CS & LLB/16 years	1-Aug-08	41 yrs 8 months	Co Secy cum Fin Manager in International Print-O-Pac Ltd	Nil	NA
5	Ankur Bansal	Regular	46,00,104.00	BE & MBA/16 years	13-Jul-18	40 Yr 5 month	Assoc. Dir - KPMG	Nil	NA
6	Sanjay Rustagi	Regular	45,17,565.00	CA & ICWA/22 years	24-Jun-16	47 yrs 6 months	Asstt Controller in GE Capital services India	Nil	NA
7	Devesh Singh	Regular	43,85,897.00	B.Com & MBA/15 years	3-Oct-11	43 Yr 3 monts	Manager- PTC India Limited	Nil	NA
8	Shray Shikhar	Regular	42,49,644.00	B.E. & PGDBM	15-Oct-15	42 Yr 1 monts	Senior Associates- Sembcorp Green infra	Nil	NA
9	Animesh Adhikari	Regular	39,30,683.00	B.E. & PGDM	20-Nov-15	43 Yr 2 monts	Senior Manager-Lahmeyer International	Nil	NA
10	Rohit Gupta	Regular	37,60,638.00	B.Com & MBA	1-Apr-10	37 Yr 5 monts	Junior Manager- PTC India Limited	Nil	NA

B. It is affirmed that :-

I. The remuneration is as per the remuneration policy of the Company; and

II. There are no employees who are in receipt of remuneration in excess of the highest paid director during the year and holds by himself or through his/ her relatives not less than two percent of equity shares.

36. Details of conservation of energy, technology absorption

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

37. Foreign Exchange earnings & outgo

The Company has incurred expenditure of Rs. 95.61 crore (previous year Rs. 100.25 crore) in foreign exchange during the financial year ended 31st March 2022.

38. **Significant and material orders**

There were no significant or material orders passed by Regulators or Courts or Tribunals which impacts the going concern status and Company's future operations.

39. **Transfer of Amounts to Investor Education and Protection Fund (IEPF)**

Pursuant to the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 24th September 2021), with the Ministry of Corporate Affairs.

40. **General**

Your Directors state that there are no disclosure(s) or reporting(s) in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme; and
- Neither Managing Director nor the Whole time Directors of the Company receive any remuneration or commission from any of other Company.
- No change in the nature of the business of the Company happened during the financial year under review.
- No specific disclosures required under details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- No application was filed by/ against the Company under the Insolvency and Bankruptcy Code, 2016 during the year.

41. **Compliance with Applicable Secretarial Standards**

During the period under review, the Company has complied with the provisions of the Secretarial Standard - 1 (Secretarial Standard on meeting of the Board of Directors) & Secretarial Standard - 2 (Secretarial Standard on General Meeting) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

42. **Acknowledgement**

The Board of Directors acknowledge with deep appreciation the cooperation received from its Directors, Ministry of Power (MoP), Ministry of Finance (MoF), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited (NSE), BSE Limited (BSE), PTC India Limited (PTC) and other stakeholders, International Finance Corporation (IFC), DEG, FMO and OeEB, various Banks/FIs, Consortium partners and Officials of the Company.

The Board also acknowledge with deep appreciation the cooperation received from its Director(s) who retire as Director(s) during the year.

The Board also conveys its gratitude to the shareholders, credit rating agencies for the continued trust and confidence reposed by them in the Company. Your Directors would also like to convey their gratitude to the clients and customers for their unwavering trust and support.

The Company is also thankful to the Statutory Auditor, Internal Auditor and Secretarial Auditor for their constructive suggestions and co-operation.

We would also like to place on record our appreciation for the untiring efforts and contributions made by the employees to ensure all round performance of your Company.

For and on behalf of the Board
PTC India Financial Services Limited

Sd/–
Rajib Kumar Mishra
Chairman
DIN: 06836268

Date : 03rd December 2022
Place : New Delhi

ANNEXURE - I

ANNUAL REPORT ON CSR ACTIVITIES
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022

1. Brief outline on CSR Policy of the Company.

"Corporate Social Responsibility (CSR) is a long standing commitment of PFS. The CSR Policy of PFS sets the framework, guiding the CSR activities of the company. It outlines the governance structure, operating framework, monitoring mechanism and CRS activities that would be undertaken. The PFS CSR Committee is the governing body of CSR activities and ensures compliance with the CSR Policy of PFS."

The CSR Policy of PFS approved by the Board is put up on the Company's website.

2. Composition of CSR Committee:

Sl. no.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Deepak Amitabh*	Non- Executive Nominee Director	Nil	Nil
2.	Shri Devendra Swaroop Saksena$/**	Non-Executive - Independent Director		
3.	Shri Pankaj Goel$	Non-Executive - Nominee Director		
4	Dr. Pawan Singh	Managing Director & CEO		
5	Mrs. Pravin Tripathi^	Non-Executive-Independent Director		

*Ceased to be the member w.e.f 06th November 2021
^ Ceased to be the member w.e.f 14th October 2021
$ Appointed as a member w.e.f. 16th July 2022
**Ceased from the directorship w.e.f. 02nd December 2022

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Policy - *https://www.ptcfinancial.com/upload/pdf/corporate_social_responsibility_policy.pdf*
CSR Committee - https://www.ptcfinancial.com/cms/showpage/page/board-committee

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). — N. A.

5. (a) Average net profit of the company as per section 135(5). — 41,09,82,862
(b) Two percent of average net profit of the company as per section 135(5) — 82,19,657
(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years. — Nil
(d) Amount required to be set off for the financial year, if any — Nil
(e) Total CSR obligation for the financial year (7a+7b-7c). — 82,19,657

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).: Nil
(b) Amount spent in Administrative Overheads: Nil
(c) Amount spent on Impact Assessment, if applicable: NA
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: NA
(e) CSR amount spent or unspent for the financial year: 82,19,657/-

Total Amount Spent for the Financial year. (in)	**Amount Unspent (in)**				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
00	00	NA	IIT Delhi Endowment Fund	82,19,657	29.09.2022

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section of section 135	**82,19,657**
(ii)	Total amount spent for the Financial Year	**00**
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	**00**
(iv)	Surplus arising out of the CSR projects or programmes activities of the previous Financial Years, if any	00
(v)	Amount available for set off in succeeding Financial Years [(iii-iv)]	**N A**

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

<table>
<tr><th>Sl. No.</th><th>Preceding Financial Year(s)</th><th>Amount transferred to Unspent CSR Account under sub-section (6) (in Rs.)</th><th>Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)</th><th>Amount spent in the Financial Year (in Rs.)</th><th colspan="2">Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any</th><th>Amount remaining to be spent in succeeding financial years (in Rs.)</th><th>Deficiency, if any</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>Name of the Fund</td><td>Date of transfer</td><td></td><td></td></tr>
<tr><td>1</td><td>2020-21</td><td rowspan="3">Nil</td><td colspan="6" rowspan="3">NA</td></tr>
<tr><td>2</td><td>2019-20</td></tr>
<tr><td>3</td><td>2018-19</td></tr>
</table>

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No such capital asset has been created/ acquired.

If yes, enter the number of Capital assets created/ acquired: Not Applicable
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

<table>
<tr><th>Sl. No.</th><th>Short particulars of the property or asset(s) [including complete address and location of the property]</th><th>Pincode of the property or asset(s)</th><th>Date of creation</th><th>Amount of CSR amount spent</th><th colspan="3">Details of entity/ Authority/ beneficiary of the registered owner</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>CSR Registration Number, if applicable</td><td>Name</td><td>Registered address</td></tr>
<tr><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
</table>

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): During FY 2021-22, a CSR Committee Meeting of PFS could not be held, due to certain unavoidable circumstances, which resulted in non-approval of any CSR projects.

Sd/–
Dr. Pawan Singh
Managing Director & CEO

SECRETARIAL AUDIT REPORT
For the financial year ended on 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PTC INDIA FINANCIAL SERVICES LIMITED,
7th Floor, Telephone Exchange Building 8,
Bhikaji Cama Place,
New Delhi-110066

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"PTC INDIA FINANCIAL SERVICES LIMITED"** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under;
ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

RDA & ASSOCIATES
NEW DELHI
COMPANY SECRETARY

e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

vi) The Reserve Bank of India Act 1934 and rules, regulations, master-directions and guidelines made issued thereunder as are applicable to Non Banking Financial Companies (NBFC).

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by the Institute of Company Secretaries of India;
ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and generally complied with the Secretarial Standards issued by The Institute of Company Secretaries of India mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors, however constitution of the Board of Director was not maintained in the quarter ending December,2021 and March, 2022 due to resignation of maximum Directors including all Independent Directors, therefore the Company was not able to comply with the provisions of the Section 135, 149, 173, 177 and 178 of Companies Act, 2013 along with Regulation 17, 18 19, 20, 21, 33, 52 and 54 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 during aforesaid period. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all directors to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

RDA & ASSOCIATES
NEW DELHI
COMPANY SECRETARY

Place: NEW DELHI Date: 12.09.2022	FOR RDA & ASSOCIATES COMPANY SECRETARIES CS AWANISH K. DWIVEDI PARTNER FCS- 8055, CP No.- 9080 UDIN: F008055D000956343

This report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.

RDA & ASSOCIATES
NEW DELHI
COMPANY SECRETARY

Annexure-I

To,
The Members,
PTC INDIA FINANCIAL SERVICES LIMITED,
7th Floor, Telephone Exchange Building 8,
Bhikaji Cama Place,
New Delhi-110066

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have tried to verify the physical records. *to the extent possible,* for the period under review in order to verify the compliances however, reliance was also placed on electronic records for verification.

FOR RDA & ASSOCIATES
COMPANY SECRETARIES

RDA & ASSOCIATES NEW DELHI COMPANY SECRETARY

CS AWANISH K. DWIVEDI
PARTNER
FCS- 8055, CP No.- 9080
UDIN: F008055D000956343

Place: NEW DELHI
Date: 12.09.2022

ANNEXURE– III

Form No. AOC–2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)
(Financial Year 2021-22)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

PTC India Financial Services Limited ("the Company") has not entered into any contract /arrangement /transaction with its related parties which is not in ordinary course of business or at arm's length during financial year 2021-22. The Company has laid down policies and processes /procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("the Act") and the corresponding Rules.

S.No.	Name(s) of the related party and nature of relationship	:	Details
a	Name(s) of the related party and nature of relationship	:	N.A.
b	Nature of contracts/arrangements/transactions	:	N.A.
c	Salient terms of the contracts or arrangements or transactions including the value, if any	:	N.A.
d	Justification for entering into such contracts or arrangements or transactions	:	N.A.
e	Date(s) of approval by the Board	:	N.A.
f	Amount paid as advances, if any:	:	N.A.
g	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	:	N.A.

2. **Details of material contracts or arrangement or transactions at arm's length basis:** NIL

For and on behalf of the Board
PTC India Financial Services Limited

Sd/–
Dr. Pawan Singh
Managing Director & CEO
DIN : 00044987

Date : 03rd December 2022
Place : New Delhi

ANNEXURE - IV

"NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY"

Legal Framework

As per the requirements of Companies Act 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors of PTC India Financial Services Limited ("Company") has constituted a Nomination and Remuneration Committee. The Committee's role is to be supported by a policy for nomination of Directors and Senior Management Personnel including Key Managerial Personnel as also for remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees. Further, a policy on Board Diversity is also to be adopted.

Definitions

For the purpose of this Policy:

- **'Act'** shall mean the Companies Act, 2013;
- **'Board'** shall mean the Board of Directors of PTC India Financial Services Limited (PFS);
- **'Committee'** shall mean the Nomination and Remuneration committee of the Company, constituted and re constituted by the Board from time to time;
- **'Company'** shall mean PTC India Financial Services Limited (PFS);
- **'Directors'** shall mean the directors of the Company;
- **'Independent Director'** shall mean a director referred to in Section 149 (6) of the Companies Act, 2013 and in Regulation 16(b) of the Listing Regulations.
- **"Key Managerial Personnel"** or KMP shall have the meaning as defined under Section 2(51) of the Act; **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- **'Senior Management Personnel'** means personnel of the company who are members of its core management team excluding Board of Directors, and comprises of all members of management who are in the grade that is one level below the WTD
- **'Nomination & Remuneration Committee'** means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of Section 178 of the Companies Act 2013 and the Regulation 19 and Part D of Schedule II of the Listing Regulations..

OBJECTIVE & PURPOSE

The Nomination & Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with applicable rules thereto and Regulation 19 read with Part D of Schedule II of Listing Regulations The objective and purpose of the Committee would be as follows:

- To guide and assist the Board in laying down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Whole-time and Independent) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration through a remuneration policy.
- The Company has a adopted a remuneration policy which provides for Performance Related Pay (PRP), a reward linked directly to efforts, performance, dedication and achievement relating to the Company's operations. Apart from the PRP, the annual increases in remuneration have a component of Merit Increase, which is also linked to performance of an individual.

This policy provides the Committee with an overall framework for governance of the remuneration policy of the Company.

- To retain, motivate and promote talent and to ensure long term sustainability for retention of talented managerial persons and create competitive advantage for the Company.
- To guide and assist the Board in laying down ESOP Compensation policy in terms of SEBI Guidelines, as and when decided.
- To guide and assist the Board in clarifying any matter relating to remuneration.
- To set out the criteria for evaluation of performance of (a) Board as a whole; (b) Committees of the Board; and (iii) the individual Directors including the chairperson and the Independent Directors;
- To ensure diversity of the Board of the Company

This Policy is Applicable to:

- Directors (Executive, Non-Executive and Independent)
- Key Managerial Personnel
- Senior Management Personnel
- Other employees as may be decided by the Committee

CONSTITUTION

- The Committee shall consist of three or more non-executive directors out of which not less than one-half are independent directors.
- The Chairman of the Committee shall be an Independent Director.

- The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair such Committee.
- The Chairperson of the Committee or in his absence, any other member of the committee authorised by him in this behalf shall attend the General Meetings of the Company to answer the shareholders' queries.
- The Company Secretary shall act as the secretary for Committee meetings.

QUORUM FOR THE MEETINGS

- With effect from April 01, 2019, the Committee shall meet atleast once in a year.
- The quorum for a meeting of the committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

NOMINATION & REMOVAL CRITERIA

1 **Appointment criteria and qualifications:**

1.1 The Committee shall identify and ascertain the criteria like integrity, expertise and experience and qualifications for appointment to the positions of Director, KMP and Senior Management.

1.2 A potential candidate being considered for appointment to a position should possess adequate qualification, expertise and experience for the position. The Committee shall review qualifications, expertise and experience commensurate to the requirement for the positions. The Committee will insist on the highest standards of ethical and moral qualities to be possessed by such persons as are considered eligible for the positions.

1.3 The Committee shall determine the suitability of appointment of a person to the Board of Directors of the Company by ascertaining whether the fit and proper criteria is met by the candidate in the opinion of the Committee.

1.4 The Committee may recommend appropriate induction & training programme for any or all of the appointees.

1.5 The Company shall normally not appoint or continue the employment of any person as Whole Time Director, KMP or Senior Management Personnel who has attained the superannuation age as per the policy of the Company.

1.6 The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of a director subject to the provisions of law and the respective service contract.

1.7 The Committee shall recommend any necessary changes in the Policy to the Board, from time to time.

1.8 The Company should ensure that the person so appointed as Director/ Independent Director, KMP, Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.

1.9 The Director/ Independent Director/Senior Management Personnel/KMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.

1.10 The company shall familiarize the independent directors with the company, including their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs.

2 **Term / Tenure**

2.1 **Managing Director (MD) & Chief Executive Officer (CEO)** or Managing Director/Whole-time Director (WTD):

The Company shall appoint or re-appoint any person as its MD & CEO or WTD for a term not exceeding five years at a time subject to the age of superannuation. No re-appointment shall be made earlier than one year before the expiry of term of the Director appointed.

2.2 Independent Director shall hold office in accordance with the Company's Policy and subject to the Act.

2.3 The Term/Tenure of the Senior Management Personnel/KMP shall be as per the Company's prevailing policy.

3 **Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013 and rules made there under or under any other applicable Act, rules and regulations , the Committee may recommend to the Board with reasons to be recorded in writing, removal of a director, KMP or senior management personnel, subject to the provisions and compliance of the Act, rules and regulations.

4 **Retirement / Superannuation**

The director, senior management personnel or KMP shall retire / superannuate as per the applicable provisions of the Companies Act, 2013 along with the rules made there under and the prevailing policy of the Company. The Board will have the discretion to retain the director, senior management personnel or KMP in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5 **Diversity on the Board of the Company**

The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

The Policy shall conform to the following two principles for achieving diversity on the Board:

Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and

For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination, and based on the following factors:

- Gender- The Company shall not discriminate on the basis of gender in the matter of appointment of directors on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board. As per the provisions of the Companies Act, 2013, the Company shall at all times have at least one woman director on the Board. Any vacancy of the woman director shall be filled within a period of six months.
- Ethnicity - The Company shall promote having a boardroom comprising of people from all ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;
- Physical disability - The Company shall not discriminate on the basis of any immaterial physical disability of a candidate for appointment on the Company's Board, if he/she is able to efficiently discharge the assigned duties.
- Educational qualification- The Directors of the Company shall have a mix of finance, engineering, legal and management background, so that they collectively provide the Company with considerable experience in a range of activities including varied industries, education, policy and investment.

6 Remuneration

The level and composition of remuneration to be paid to the MD & CEO, Whole-Time Director(s), KMPs, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMPs, Senior Management and other employees of the company. The relationship of remuneration to performance should be clear and should encourage meeting of appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive / performance related pay reflecting achievement of short and long-term performance objectives appropriate to the working of the company and meeting its goals.

i. MD & CEO/ WTD

Besides the above Criteria, the Remuneration/ Compensation/ Commission / PRP / Bonus etc. to be paid to MD & CEO/ WTD shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force as also by Company policy.

ii. Non-Executive Directors/ Independent Directors

The Non-Executive / Independent Directors may receive sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of fees shall be such as determined by the Board of Directors from time to time.

iii. Senior Management Personnel / KMPs

The Remuneration to be paid to Senior Management Personnel / KMPs shall be based on the remuneration policy of the Company and the experience, qualification and expertise of the related personnel and shall be decided by the MD & CEO (for KMPs other than those who are at the WTD / Board level) of the Company as per the internal process in consonance with the limits, if any, prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

iv. Other Employees

The power to decide structure of remuneration for other employees has been designed in the Remuneration policy and implementation of the same is to be ensured by MD & CEO of the Company or any other personnel that the MD & CEO may deem fit to delegate.

Criteria of Evaluation

The criteria for every evaluation may be decided at every level depending on the functions, responsibilities, competencies required, nature of business, etc. However, the Committee with the approval of the Board has prescribed the minimum standard to be kept in mind while carrying out the performance evaluation:-

(A) Board as a Whole

1) Structure of the Board:

a) Competency of Directors

b) Experience of Directors

c) Mix of qualifications

d) Diversity in board under various parameters

2) Meetings of the Board:

a) Regularity of meetings

b) Frequency

c) Logistics

d) Agenda

e) Discussions and dissents

f) Recording of minutes

g) Dissemination of information

3) **Functions of the Board:**

a) Role and responsibilities of the Board

b) Strategy and performance evaluation

c) Governance and Compliance

d) Evaluation of risks

e) Grievance redressal for investors

f) Conflict of interest

g) Stakeholder value and responsibility

h) Facilitation of independent directors

(B) Committees of the Board

1) Mandate and composition

2) Effectiveness of the Committee

3) Structure of the committee and meetings

4) Independence of the Committee from the Board

5) Contribution to the decisions of the Board

(C) Individual Directors and Chairperson

1) **General**

a) Qualifications

b) Experience

c) Knowledge and Competency

d) Ability to function as a team

e) Commitment

f) Integrity

2) **Additional criteria for Independent director:**

a) Independence

b) Independent views and judgement

3) **Additional criteria for Chairperson:**

a) Effectiveness of leadership and ability to steer the meetings

b) Impartiality

c) Commitment

d) Ability to keep shareholder's interest in mind

In case of evaluation by third party, the Independent External Agency may adopt different criteria from the abovementioned criteria's.

Feedback

Providing feedback to the individual directors, the Board and the Committees is crucial for success of Board Evaluation. On collation of all the responses, the feedback may be provided by the Chairman of the Board or any other member as authorized by the Chairman or any authorized person of external agency through orally or written communication. For effectiveness of the evaluation, it is essential that the feedback be given honestly and without bias.

Action Plan

Based on the analysis of the responses, the Board may prepare an action plan on:

a) Areas of improvement including training, skill building, etc. as may be required for Board members

b) List of actions required detailing:

- Nature of actions
- Timeline
- Person responsible for implementation
- Resources required, etc.

c) Review of the actions within a specific time period

The action plan may be prepared by the Board or Committee in a comprehensive manner. Suggestions under the external assessment, individual member feedback, etc. may be taken into account while drafting the action plan.

Frequency of Board Evaluation

As per SEBI LODR and Companies Act, the Board Evaluation is required to be done once a year.

DISCLOSURE OF THIS POLICY

The manner of formal annual evaluation of the Board, its committees and individual directors is to be disclosed to the shareholders on an annual basis in the Annual Report and this Policy is to be hosted on the website of the Company.

REVIEW

The Committee may assess the adequacy of this Policy and make any necessary or desirable amendments from time to time to ensure it remains consistent with the Board's objectives, current laws and best practices. In case of any amendment in the law which contradicts with any part of this Policy then that part shall become ineffective and replaced by the amendment.

ANNEXURE- V

AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(For Financial Year 2021-22)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint venture

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	Name of the subsidiary	**N.A.**
2	The date since when subsidiary was acquired	**N.A.**
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	**N.A.**
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	**N.A.**
5	Share capital	**N.A.**
6	Reserves and surplus	**N.A.**
7	Total assets	**N.A.**
8	Total Liabilities	**N.A.**
9	Investments	**N.A.**
10	Turnover	**N.A.**
11	Profit before taxation	**N.A.**
12	Provision for taxation	**N.A.**
13	Profit after taxation	**N.A.**
14	Proposed Dividend	**N.A.**
15	Extent of shareholding (in percentage)	**N.A.**

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations~ N.A.
2. Names of subsidiaries which have been liquidated or sold during the year - N.A

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	**Name of Associates or Joint Ventures**	**R.S. India Wind Energy Private Limited (Rs. In lakhs)**	**Varam Bio Energy Private Limited (Rs. In lakhs)**
1	Latest audited Balance Sheet Date	31st March, 2014	31st March, 2016
2	Date on which the Associate or Joint Venture was associated or acquired	22nd March, 2008	31st January, 2008
3	Shares of Associate or Joint Ventures held by the company on the year end		
	No.	6,11,21,415	43,90,000
	Amount of Investment in Associates or Joint Venture	6,112.14	439.00
	Extent of Holding (in percentage)	37%	26%
4	Description of how there is significant influence	Note A	Note A
5	Reason why the associate/joint venture is not consolidated	Note B	Note B
6	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 4,737	Nil (Note C)
7	Profit or Loss for the year		
	i. Considered in Consolidation	Nil	Nil
	ii. Not Considered in Consolidation	Nil	Nil

Note A : There is significant influence due to holding more than 20% share capital.

Note B : The audited accounts were not made available by associate.

Note C : The Company has fully provided for diminution in investment held in associates and the company does not have any further obligations over and above the amount invested.

1. Names of associates or joint ventures which are yet to commence operations: N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year:N.A.

For and on behalf of the Board
PTC India Financial Services Limited

Sd/-
Dr. Pawan Singh
Managing Director & CEO
DIN : 00044987

Date : 03rd December 2022
Place : New Delhi

ANNEXURE - VI

BUSINESS RESPONSIBILITY REPORT

Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

PTC India Financial Services Limited (PFS) Business Responsibility Report 2021-2022 includes our responses to questions on our practices and performance on key principles defined by Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L65999DL2006PLC153373
2	Name of the Company	PTC India Financial Services Limited (hereinafter referred to as 'Company'/ PFS)
3	Registered Office	7th Floor, Telephone Exchange Building, 8, Bhikaji Cama Place, New Delhi-110066
4	Website	www.ptcfinancial.com
5	E-mail id	info@ptcfinancial.com
6	Financial Year Reported	April 1, 2021 to March 31, 2022
7	Sector that the Company is Activity code wise	PTC India Financial Services Limited (PFS) is a Non-banking Finance Company (NBFC) classified as Infrastructure Finance Company (IFC) by the Reserve Bank of India.
8	List three key products that Company manufactures (as Per Balance Sheet)	PFS is into lending and advisory business and not manufacturing.
9	Total Number of Locations where business activity is undertaken by the Company	One (1)
10	Markets served by the Company – Local/State/National/International/	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR' lakhs)	64228.33
2	Total Turnover (INR' lakhs)	95287.79
3	Total Profit after taxes (INR' lakhs)	12998.48
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer Annual Report on CSR Activities for the Financial Year 2021-22.
5	List of activities in which expenditure in 4 above has been incurred	

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	PTC group (of which PFS is part) has formed a trust named PTC Foundation to carry out the CSR activities in more focussed and streamlined manner. We don't have any subsidiary company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No other entity/entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

	Details of the Director/Director responsible for implementation of the BR policy/policies:		
	1.	DIN	00044987
	2.	Name	Dr. Pawan Singh
	3.	Designation	Managing Director and Chief Executive Officer

	Details of the BR head	
	1. DIN	N.A.
	2. Name	Shri Sitesh Sinha
	3. Designation	EVP
	4. Telephone Number	011-26737479
	5. E-mail Id	sksinha@ptcfinancial.com

2. Principle-Wise (as per NVGs) BR Policy / Policies

The nine principles as per BRR are as given below:

P 1:	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P 2:	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P 3:	Business should promote the wellbeing of all employees
P 4:	Business should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P 5:	Business should respect and promote human rights.
P 6:	Business should respect, protect and make efforts to restore the environment.
P 7:	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P 8:	Business should support inclusive growth and equitable development.
P 9:	Business should engage with and provide value to their customers and consumers in a responsible manner.

2 (a) Details of compliance (Reply Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy for...	Company has all the required policies in place.								
2	Has the policy been formulated in consultation with the relevant stakeholders	Yes, the policies are formulated in consultation with relevant stakeholders and benchmarking across the industry.								
3	Does the policy conform to any national / international standards? if yes specify	All policies are compliant with relevant principles of National Voluntary Guidelines.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	All polices are approved by the respective competent authorities. Since policies are approved by the competent authorities, it implies that the same have been signed by them.								
5	Does the Company have a specified committee of the Board / Director / official to oversee the implementation of the policy?	The Board of Directors of the Company along with the Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Stakeholders Grievance Committee are responsible for overall effective implementation & monitoring of the BR policies adopted on respective principles. Further, each policy has also been mapped with the respective departments, who are responsible for its implementation & monitoring on the ground and submit necessary report to the Board of Directors.								
6	Indicate the link for the policy to be viewed online?	Code of Conduct, Whistle Blower Policy and CSR Policy can be accessed at https://www.ptcfinancial.com/cms/showpage/page/codes-policies Other policies are internal policies of the Company and are not available on the website of the Company. However, the same are available on the intranet for PFS employees. The details of grievance redressal mechanism available for customers and for third party complaints are also available at our website along with above stated policies. Refer the below link: http://www.ptcfinancial.com/cms/showpage/page/grievances-redressal-mechanism								
7	Has the policy been formally communicated to all the relevant internal and external stakeholders?	The policies posted on the Company's website are available for all stakeholders. For internal stakeholders, appropriate means of communication like intranet, mail communication etc. is available.								
8.	Does the Company have in house structure to implement the policy/ policies	Yes, time to time on need basis, committee is formed to review the policies and implement the same.								

9.	Does the company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies	Yes
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The Board/Committee of the Board reviews the policies at periodic intervals as and when required.

2 (b). If answer to S.No.1 against any principle is "No", please explain why: (Tick Upto 2 Options- NA)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within next 1 Year									
6.	Any other reason (please specify)									

3. **Governance related to BR**

Indicate the frequency with which the Board of Directors, Committee of Directors or CEO to access the BR performance of the Company. Within 3 months, 3 months – 6 months, annually more than 1 year.	Yes, annually. We have constituted a corporate social responsibility (CSR) committee of the Board which oversees our CSR strategy and progress. For more details on the frequency of the committee's meeting, refer to the 'Corporate social responsibility committee' sub- section in the Corporate Governance Report, and the 'Corporate Governance' section in the Board's Report, which are part of this Annual Report.
Does the Company publish a BR or sustainability report? What is the hyperlink for viewing this report? How frequently it is published?	The Business Responsibility Report of the Company will be published annually. Further details can be availed from link: https://www.ptcfinancial.com/cms/showpage/page/annual-reports. PFS has published its Sustainability Report for FY 2017-18 in accordance with GRI G4 reporting guidelines. Previous to this, we have published the Sustainability Report in FY 2015-16.

SECTION E: PRINCIPLE WISE PERFORMANCE

Principle No.	Description	Response
P-1 Business should conduct and govern themselves with Ethics, Transparency and Accountability.		
1.1	**Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend the group / joint ventures/ suppliers/ contractors/ NGOs/ others?**	The Company has adopted the Code of Business Conduct and Ethics, governing conduct of the business of the Company in an ethical manner. Polices of the Company are aligned with those of the parent company i.e. 'PTC India Limited'. It applies to the Directors, Key Managerial Personnel and Senior Management of the Company. The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Personnel and Senior Management every year. The Company has in place: • Whistle Blower Policy: It provides an avenue for Directors and employees to inform about any wrongdoing in the Company and reassurance that they will be protected from victimization for whistle blowing. • Code of Conduct for Prevention of Insider Trading: It prevents insider trading and protect price sensitive information. Further, PFS does not have any joint venture /suppliers/ contractors etc.
1.2	**How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide the details thereof in about 50 words or so.**	The details of the complaints of the investor are provided in the report on corporate governance and all such complaints were satisfactorily resolved by the Company.
P-2 Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle		

2.1	**List upto 3 of your products whose design has incorporated social or environmental concerns, risks and / or opportunities.**	PFS is a NBFC engaged in lending primarily in infrastructure and power sector with a view on sustainable lending and has established an ESMS (environmental and social management system) which assesses Environmental and Social (E&S) risks associated with projects financed by PFS and stipulates conditions to mitigate adverse impacts. To further reduce carbon footprint from our operations, PFS on its balance sheet has commissioned a wind project of 6 MW in the state of Karnataka. PPA for the project has been signed with Karnataka Discom for 25 years. The energy generated by the wind project exceeds the electric energy consumption at our Delhi office, thus offsetting the emissions from our operations/services. Additionally, our CSR initiatives is provided under Annual Report on CSR Activities.
2.2	**For each such product, provide the following details in respect of resource use (energy, raw material etc.) per unit of product (optional):** a. Reduction during the sourcing / production/ distribution achieved since the previous year throughout the value chain. b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not applicable directly, as PFS in not engaged in manufacturing business and only human resource is engaged by PFS to carry out its operations. Though, as part of sustainable lending PFS encourages its borrowers to follow IFC (International Finance Corporation) performance standards to ensure environmental and social sustainability which deals with the aspects of resource efficiency and conservation. Hence, indirectly contributing to resource conservation. We have also adopted several direct measures to reduce carbon footprint from our office operations. Some of the initiatives include: • Implementing established energy reduction measures, such as air conditioning and smart lighting controls in the buildings we occupy. • Installing energy efficient LED lighting in our office by replacing others. • Ensuring all lights, computers and other equipment are powered off when not in use during extended periods of time, including at night and at weekends
2.3	**Does the Company have procedures in place for sustainable sourcing (including transportation)?** a. If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.	Not applicable.
2.4	**Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?** a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Not applicable.
2.5	**Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof, in about 50 words or so.**	Not applicable as PFS is not into product manufacturing, thus recycling is not applicable to us. E-waste generated from our operations is handed over to CPCB (Central Pollution Control Board) certified vendors.
P-3 Business should promote the well-being of all employees		
3.1	**Please indicate the total number of employees**	45 regular employees as on 31st March, 2022.
3.2	**Please indicate the total of employees hired on temporary / contractual / casual basis.**	Total 20 personnel (5 are on direct contract of the company and 15 are outsourced) have been hired by PFS on contractual basis.
3.3	**Please indicate the number of permanent women employees**	Nine (9)
3.4	**Please indicate the number of permanent employees with disabilities**	One (1)
3.5	**Do you have an employee association that is recognised by management?**	There is an employee welfare association by the name of ERA (Employees Recreation Association) which is recognized by PFS Management. It plans recreational activities which fosters team spirit and encourages organizational belongingness.
3.6	**What percentage of your permanent employees is members of this recognized employee association?**	100%; all permanent employees are members of this association.

<table>
<tr><td>3.7</td><td>Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year:</td><td>Nil
<table>
<tr><td>S. No.</td><td>Category</td><td>No. of complaints filed during the financial year</td><td>No. of complaints pending as on end of the financial year</td></tr>
<tr><td>1.</td><td>Child labour / forced labour / involuntary labour</td><td>Nil</td><td>Nil</td></tr>
<tr><td>2.</td><td>Sexual Harassment</td><td>Nil</td><td>Nil</td></tr>
<tr><td>3.</td><td>Discriminatory employment</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>3.8</td><td>What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?
Permanent employees
Permanent women employees
Casual/ Temporary / Contractual Employees
Employees with disabilities</td><td>
<table>
<tr><td>S. No.</td><td>Category (who were provided skill upgradation training)</td><td>No. of employees to whom training has been imparted</td></tr>
<tr><td>1.</td><td>Permanent employees</td><td>45/45; approximately 100%</td></tr>
<tr><td>2.</td><td>Permanent women employees</td><td>9/9; hence 100%.</td></tr>
<tr><td>3.</td><td>Casual/ Temporary/ Contractual Employees</td><td>10/20; approximately 50%</td></tr>
<tr><td>4.</td><td>Employees with disabilities</td><td>1/1; 100%</td></tr>
</table></td></tr>
<tr><td colspan="3">P- 4 Business should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised</td></tr>
<tr><td>4.1</td><td>Has the Company mapped its internal and external stakeholders?</td><td>Yes, stakeholders of the company have been mapped through a formal process of consultation.

Key stakeholders identified by PFS are:
Internal stakeholders (Employees)
External Stakeholders (Borrowers, Lenders, Shareholders, government and regulatory body, community, portfolio companies and PTC India (parent company).</td></tr>
<tr><td>4.2</td><td>Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?</td><td>PFS has a sexual harassment policy in place. Moreover, there is a whistle blower policy whereby an employee with any grievance can raise the issue with the top management.

Further, as part of the CSR initiative, we engage with the disadvantaged, vulnerable & marginalized stakeholders</td></tr>
<tr><td>4.3</td><td>Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details, in about 50 words or so.</td><td>As part for our lending business we expect our borrowers to follow the IFC environmental and social performance standards, 2012 which supports projects which protects rights of indigenous people (marginalized and vulnerable group) and creates opportunities for their growth and resultantly provides benefits like employment through project related activities.

Moreover, company through its CSR initiatives has engaged with disadvantaged, vulnerable and marginalized stakeholders as detailed in Section B of this report.</td></tr>
<tr><td colspan="3">P-5 Business should respect and promote human rights</td></tr>
<tr><td>5.1</td><td>Does the policy of the Company on human rights cover only the company or extend to the group / joint ventures / suppliers / contractors / NGOs / others.</td><td>Company believes in protecting the human rights of our people, recognizing their need for respect and dignity. We are committed to fair employment practices and freedom of expression, supported by a strong, company-wide value system. We provide every avenue to our workforce for voicing their opinion. PFS also has a well-defined Grievance Redressal Policy, which is applicable to all regular employees except for officers who are one step below the Board Level.

During the last financial year, the Company has given thrust to an organizational development programme and has developed systems and processes that maximize human potential. The Company has developed a KRA/KPI based Performance Management System to link and measure individual performance with the organizational performance score card during the year. This programme has now been rolled out. Our Company continuously invests in attraction, retention and development of talent on an ongoing basis. Company's thrust is on the promotion of talent internally through job rotation and job enhancement. Strong governance processes and stringent risk management policies are adhered to, in order to safeguard our stakeholders' interest.</td></tr>
</table>

		The Company also adheres to the highest levels of ethical business practices as articulated in the Code of Conduct and Ethics. A strong commitment to human rights is embedded in the Company's Code of Conduct and Ethics Policy which lays down acceptable behaviour on various aspects including human rights. This code is applicable for all employees, associates and business partners. It has been adopted by our parent company as well.
5.2	**How many stakeholders complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**	No complaints were received under the whistle blower policy. The details of the complaints of the investor are provided in the report on corporate governance. All complaints received during the year were dealt by the competent authority.
P-6 Business should respect, protect and make efforts to restore the environment.		
6.1	**Does the policy related to Principle 6 cover only the company or extend to the group / joint ventures / suppliers / contractors / NGOs / others.**	Environmental and Social Policy of PFS extends to the projects financed by PFS and indirectly covers contractors and borrowers engaged in project financing. E&S Policy scope extends to consortium funding where PFS is in lead.
6.2	**Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyperlink for webpage etc.**	• PFS has provided loans for large renewable energy and pollution prevention projects and in FY 21-22, 50% of our sanctioned projects were in these sectors; thus promoting green energy and sustainable projects which indirectly prevents climate change and global warming. • PFS in the past few years have made a deliberate effort to shift focus to sustainable infrastructure finance which contributes towards reduction in greenhouse gas emissions.
6.3	**Does the company identify and assess potential environmental risks.**	To promote sustainable lending and to ensure compliance with our environmental and social management systems, PFS either internally or with the help of third party(ies) conduct environmental and social due diligence to assess environmental and social risks associated with the projects financed by PFS. In line with our established ESMS (Environmental and Social Management Systems), the due diligence scope includes verification of relevant environmental and social aspects of the project in line within the reference framework (including the current operations and the future planned additions/ expansions). It includes but not be limited to the following aspects: • Environmental impact management; • Social impact management; • Health and safety management; • Human resources management (including human rights and labour standards); and • Community engagement.
6.4	**Does the company have any project related to clean development mechanism? If so, provide details hereof, in about 50 words or so. Also if yes, whether any environmental compliance report is filed?**	PFS is into lending business and we largely finance renewable energy projects which are based on clean and green fuel. PFS has a single 6 MW wind power project in Karnataka state and no environmental compliance report is required to be filled for 'white' category project(s) as per CPCB revised categorization.
6.5	**Has the company undertaken any other initiatives on–clean technology, energy efficiency and renewable energy, etc. Y/N. If yes, please give hyperlink for web page, etc.**	• PFS disposes of its e-waste through CPCB certified vendor. • To promote renewable energy, as on 31st March, 2022 PFS's renewable (Wind and Solar) portfolio and pollution prevention projects is more than 50% of the total portfolio. • Moreover, PFS owns a 6 MW wind farm in Karnataka State which got commissioned in March, 2010.
6.6	**Are the emission / waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**	Not applicable.
6.7	**Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.**	None.
P- 7 Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.		
7.1	**Is your company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.**	• India CEO Forum on Air Pollution by Confederation of Indian Industry (CII); • India Infrastructure Forum

7.2	**Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: governance and administration, economic reforms, inclusive development policies, energy security, water, food security, sustainable business principles, others)**	No.
P-8 Business should support inclusive growth and equitable development.		
8.1	**Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**	PFS has established and implemented robust environmental and social management systems (ESMS) which is applicable to our lending business (core business). As part of the sustainable lending and as committed in our Environmental and Social (E&S) policy, PFS provides lending for projects which strive to minimize, mitigate or compensate adverse impacts on workers, affected communities and the environment. E&S Policy also states, that PFS would support lending to projects where affected communities are engaged on project related issues that could potentially affect them. We also support the principles of inclusive growth and equitable development through the CSR initiatives taken by PFS as well as through our core business as elaborated above. Details of CSR activities have been already elaborated in above sections.
8.2	**Are the programmes / projects undertaken through in house team / own foundation / external NGO / government structure / any other organisation?**	We directly do not engage in any such activities. However as stated in the above column, we support lending for projects which through its operations promote aspects of inclusive growth and equitable development. CSR initiatives have been undertaken through PTC Foundation / by PFS itself and also through government institutes. Details of CSR activities have been presented in above sections.
8.3	**Have you done any impact assessment of your initiative?**	The key objective of our ESMS, is to identify and assess the environmental and social impacts in the project's area of influence and as part of the project appraisal process, PFS conducts environmental and social due diligence for the projects to assess the impacts of the project. Subsequently, to minimize the adverse impacts of the project an environmental and social action plan (ESAP) is prepared to improve the E&S performance of the company / project. Apart from this, the approved projects are monitored on annual / once in two years' frequency based on the project categorization. It should be noted that approximately 50% of our projects sanctioned in FY 2021-2022 were in green energy and sustainable sector. PFS through PTC foundation conducts formal impact assessment studies for its CSR initiatives.
8.4	**What is your company's direct contribution to community development projects- Amount in INR and details of the projects undertaken?**	The details have been already captured under section B of the report. More details are provided in report on CSR activities.
8.5	**Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**	Prior to undertaking an initiative, PFS engages with the community to assess the need and ensure that the activity / initiatives benefit the community. Formal impact assessment studies would be conducted in future to assess the success of the programme, once the project is implemented.
P-9 Business should engage with and provide value to their customers and consumers in a responsible manner		
9.1	**What percentage of customer complaints/ consumer cases are pending as on the end of the financial year.**	Nil
9.2	**Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A / Remarks (additional information)**	Not Applicable
9.3	**Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on the end of financial year. If so, provide the details thereof, in about 50 words.**	Nil
9.4	**Did your company carry out any consumer survey / consumer satisfaction trends?**	No

REPORT ON CORPORATE GOVERNANCE

1. **Company's philosophy on Corporate Governance**

   Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and at PTC India Financial Services Limited ("**PFS**" or "**the Company**") we are committed to meet the aspirations of all our stakeholders and believe in adopting best corporate practices for ethical conduct of business. This is demonstrated by way of shareholder returns, high credit ratings, governance processes and focused work environment. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency, and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

   The Company has adopted a Code of Conduct for its employees including Directors. Apart from the performance evaluation of regular employees, PFS has formed the Performance evaluation mechanism for its Executive and Non- Executive Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). These codes are available on the Company's website. PFS has also established a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

   The spirit of governance of the Company is derived from this philosophy and has been articulated through the Company's various policies. At PFS, we are committed to meet the aspirations of all our stakeholders. As a financial institution, PFS has to regularly pursue businesses that maximize returns while effectively managing the inherent risks. Decision making and execution is driven by its governance structure, ethics and value systems. Corporate Governance ensures transparency and accountability. Corporate Governance also has broader social and institutional dimensions. Properly designed rules of governance focus on implementing the values of fairness, transparency, accountability and responsibility to all the stakeholders.

   PFS is committed to achieve the best standards of 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 organization, and putting in place best systems and processes. PFS has endeavored to not only meet regulatory and legal compliances but also adopt practices of high level of business ethics.

   A Report in line with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

2. **Board of Directors**

   The Board of Directors of PFS provide leadership and strategic guidance, objective judgement to the Company. The Board has adopted a Policy which sets out the approach to diversity of the Board of Directors. The Board functions either as a full Board or through various committees constituted to oversee specific areas. Policy formulation, setting up of goals, evaluation of performance and control functions vest with the Board.

a) **Composition and Category of Directors**

   The Composition of the Board of the Company meets the criteria mandated by SEBI Listing Regulations and the Act. The Company's Board has an optimum combination of Executive, Non-Executive, and Independent Directors with one Independent Woman Director, as per the requirements of Regulation 17 of SEBI Listing Regulations.

   As on the date of this Report, the Company's Board comprised of 7 (seven) Directors, out of which, 1 (one) is Managing Director & Chief Executive Officer and 6 (six) are Non- Executive Directors including 2 (two) Non-Executive Nominee Directors and 4 (four) Independent Directors.

   As on the date of this Report, the Board strength comprises of the following:

S. No.	Name of Director	Category	Remarks
1	Shri Rajib Kumar Mishra	Chairperson and Non- Executive Director	Appointed as Nominee Director of PTC India Limited (Promoter Company) (Chairperson related to Promoter) w.e.f. 08th November 2021
2	Dr. Pawan Singh	Managing Director & Chief Executive Officer	-
3	Shri Pankaj Goel	Non-Executive Nominee Director	Appointed as Nominee Director of PTC India Limited (Promoter Company) w.e.f. 08th November 2021
4	Shri Ramesh Narain Misra	Non-Executive Independent Director	Appointed w.e.f. 29th March 2022
5	Shri Devendra Swaroop Saksena*	Non-Executive Independent Director	Appointed w.e.f. 29th March 2022
6	Shri Jayant Purushottam Gokhale*	Non-Executive Independent Director	Appointed w.e.f. 29th March 2022
7	Shri Naveen Bhushan Gupta	Non-Executive Independent Director	Appointed w.e.f. 15th November 2022
8	Smt. Seema Bahuguna	Non-Executive Independent Director	Appointed w.e.f. 15th November 2022
9	Smt. PV Bharathi	Non-Executive Independent Director	Appointed w.e.f. 15th November 2022

**Resigned w.e.f. 02nd December, 2022*

b) **Key skills/expertise/competence of the Directors**

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

Core skills/expertise/competencies as identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively such as leadership, management, financial expertise, governance, strategy development and implementation, knowledge of media sector, information technology, risk management, human recourses.

The details about the Skill/ Expertise/ Competence of directors as on 31st March 2022 are provided in this report.

c) **Appointment of Directors**

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment as approved by the Board of Directors or shareholders, as the case may be. The terms and conditions of their appointment have been disclosed on the Company's website at :-

https://www.ptcfinancial.com/cms/showpage/page/corporate-governance

d) **Reasons for the resignation of Independent Directors (ID)**

During the period under review and upto the date of this report, 8 (eight) directors have resigned from the Company which have been duly intimated to the Stock Exchanges in compliance with Regulation 30 of SEBI Listing Regulations. The reason(s) for their resignations are mentioned hereinbelow:

S. No.	Name of the Director	Date of Resignation	Reason(s) for Resignation
1	Mrs. Pravin Tripathi	14.10.2021	Completion of tenure to act as an Independent Director
2	Shri Rakesh Kacker	31.12.2021	Completion of tenure to act as an Independent Director
3	Shri Kamlesh Shivji Vikamsey	19.01.2022	The Directors cited lapses in corporate governance and compliance. The detailed reasons for resignation were mentioned by them in their resignation letters which were intimated to the Stock Exchange on 20th January 2022. Further the director(s) mentioned that there were no other material reasons other than those mentioned in their resignation letter.
4	Shri Santosh Balachandran Nayar		
5	Shri Thomas Mathew T.		
6	Smt. Sushama Nath	22.11.2022	Crossing of eligibility age. Further, the detailed reasons for resignation were mentioned by them in their resignation letters which were intimated to the Stock Exchange on 24th November 2022. Further the director mentioned that there were no other material reasons other than those mentioned in her resignation letter.
7	Shri Devendra Swaroop Saksena	02.12.2022	The resignation letters of Independent Director containing detailed reason thereto can be accessed via www.ptcfinancial.com.
8	Shri Jayant Purushottam Gokhale		

e) **Board Meetings**

11 (Eleven) Board Meetings were held during the financial year ended on 31st March 2022 i.e., on 17th May 2021, 08th June 2021, 21st June 2021, 28th July 2021, 05th August 2021, 28th August 2021, 13th September 2021, 29th September 2021, 12th October 2021, 08th November, 2021 and 09th November 2021. The intervening gap between any two meetings was within the period prescribed by the Act and SEBI Listing Regulations.

However, no meeting was held in quarter ending 31st March 2022 and the gap between two board meetings has exceeded 120 (One Hundred and Twenty) days in the above-mentioned quarter and is 142 (One Hundred and Forty-Two) days due to certain reason(s) which were beyond the control of the Management/ Company.

f) **Attendance of Directors and Directors' Directorships/ Committee memberships**

Relevant details of the Board of Directors and their Directorship(s)/ Committee Membership(s)/ Chairmanship(s), as on 31st March 2022 and attendance of Directors at Board Meetings and at Annual General Meeting held during FY 2021-22 are provided below:

S. No.	Name of Director	Category of Director	Board Meetings in FY 2021-2022		Attendance at last AGM (held on 24th September 2021)	No. of Directorships in other public companies held as on 31st March 2022	No. of Committee Membership as on 31st March 2022	No. of Committee Chairmanship as on 31st March 2022
			Held during the tenure	Attended				
1	Shri Rajib Kumar Mishra^	Chairperson and Non-Executive Director	1	1	NA	4	-	-
2	Dr. Pawan Singh	Managing Director & Chief Executive Officer and Executive Director	11	11	Yes	1	1	-
3	Shri Pankaj Goel^	Non-Executive Nominee Director	1	1	NA	0	1	-
4	Mrs. Sushama Nath^^/$$	Non-Executive Independent Director	0	0	NA	1	1	-
5	Shri Ramesh Narain Misra^^	Non-Executive Independent Director	0	0	NA	2	-	-
6	Shri Devendra Swaroop Saksena^^/$	Non-Executive Independent Director	0	0	NA	1	1	-
7	Shri Jayant Purushottam Gokhale^^/$	Non-Executive Independent Director	0	0	NA	3	3	2
8	Shri Deepak Amitabh****	Chairman (Non-Executive-Nominee Director)	9	9	Yes	2	-	-
9	Shri Rajiv Malhotra****	Non-Executive-Nominee Director	9	9	Yes	-	-	-
10	Shri Naveen Bhushan Gupta**	Whole-Time Director	3	3	NA	-	-	-
11	Mrs. Pravin Tripathi***	Non-Executive-Independent Director	9	9	Yes	5	4	1
12	Shri Rakesh Kacker*****	Non-Executive-Independent Director	10	10	NA	2	1	-
13	Shri Kamlesh Shivji Vikamsey******	Non-Executive-Independent Director	10	10	Yes	4	3	3

14	Shri Santosh Balachan-dran Nayar******	Non-Executive-Independent Director	10	10	Yes	3	1	1
15	Shri Thomas Mathew T.******	Non-Executive - Independent Director	10	10	Yes	4	4	2
16	Dr. Ajit Kumar*	Non-Executive - Nominee Director	0	0	NA	3	-	-
17	Mrs. Renu Narang@	Non-Executive - Nominee Director	7	6	Yes	2	0	0

In line with SEBI Listing Regulations, only the Chairmanship and Membership of Audit Committee and Stakeholder Relationship Committee have been taken in to consideration in reckoning the membership / chairmanship of committees in all other public Companies. Excluding Directorship, Membership and Chairmanship in PFS.

^Appointed w.e.f. 08th November 2021

^^Appointed w.e.f. 29th March 2022

^^/$$Appointed w.e.f. 29th March 2022 and Resigned w.e.f. 22nd November 2022

^^/$Appointed w.e.f. 29th March 2022 and Resigned w.e.f. 02nd December 2022

** Resigned w.e.f. 08th April 2021*

*** Resigned w.e.f. 09th July 2021*

****Resigned w.e.f.14th October 2021*

***** Resigned w.e.f. 06th November 2021*

******Resigned w.e.f. 31st December 2021*

*******Resigned w.e.f. 31st March 2022*

@Appointed w.e.f. 21st June 2021 and resigned w.e.f. 10th December 2021

Notes:

None of the Directors are members in more than 10 (ten) committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 (five) committees across all listed entities in which he/she is a Director. For the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered and companies including private limited companies, foreign companies and companies under Section 8 of the Act have not been considered.

g) **Name of other listed entities in which our Directors are Director as on 31st March 2022 and their skill/ expertise/ competence are provided below:**

S. no.	Name of Director	Name(s) of the other Companies in which Directorship held including membership/ Chairman of any committee	Skill/ Expertise/ Competence	Category
1	Shri Rajib Kumar Mishra	PTC India Limited	Power Sector	Chairperson and Non-Executive Director
2	Dr. Pawan Singh	-	Vast experience in Management, Power Sector & Infra Finance.	Managing Director & Chief Executive Officer and Executive Director
3	Shri Pankaj Goel	-	Treasury, Project Finance, Internal Financial Control, budgeting and financial concurrence	Non-Executive Nominee Director
4	Mrs. Sushama Nath	PTC India Limited		Non-Executive Independent Director
5	Shri Ramesh Narain Misra	Indraprastha Gas Limited PTC India Limited		Non-Executive Independent Director
6	Shri Devendra Swaroop Saksena	PTC India Limited		Non-Executive Independent Director
7	Shri Jayant Purushottam Gokhale	PTC India Limited	Audit and Accounts/ Finance	Non-Executive Independent Director

h) Changes in Directorship of the Company:

During the financial year 2021-22 upto the date of this report, there are following changes that took place in the composition of Board of Directors of the Company:

S. No.	Name of Director	Appointment/ Cessation	Date of Joining/ Cessation
1.	Shri Ajit Kumar	Cessation	08th April 2021
2.	Mrs. Renu Narang	Appointment	21st June 2021
		Cessation	10th December 2021
3.	Shri Naveen Kumar	Cessation	09th July 2021
4.	Mrs. Pravin Tripathi	Cessation	14th October 2021
5.	Shri Rajib Kumar Mishra	Appointment	08th November 2021
6.	Shri Pankaj Goel	Appointment	08th November 2021
7.	Shri Deepak Amitabh	Cessation	06th November 2021
8.	Shri Rajiv Malhotra	Cessation	06th November 2021
9.	Shri Rakesh Kacker	Cessation	31st December 2021
10.	Shri Santosh Balachandran Nayar	Cessation	19th January 2022
11.	Shri Kamlesh Shivji Vikamsey	Cessation	19th January 2022
12.	Shri Thomas Mathew Thumpeparambil	Cessation	19th January 2022
13.	Mrs. Sushama Nath	Appointment	29th March 2022
		Cessation	22nd November 2022
14.	Shri Ramesh Narain Misra	Appointment	29th March 2022
15.	Shri Devendra Swaroop Saksena	Appointment	29th March 2022
		Cessation	02nd December 2022
16.	Shri Jayant Purushottam Gokhale	Appointment	29th March 2022
		Cessation	02nd December 2022
17.	Shri Naveen Bhushan Gupta	Appointment	15th November 2022
18.	Smt. Seema Bahuguna	Appointment	15th November 2022
19	Smt. PV Bharathi	Appointment	15th November 2022

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

j) Detail of shareholding of Non- Executive Directors in the Company as on 31st March 2022 are as under:

As on 31st March 2022, none of the Non – Executive Directors hold any shares/ convertible instruments of the Company.

k) Independent Directors

The Company has received necessary declaration from each independent Director under Section 149 of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act along with rules framed thereunder and Regulation 16(b) & 25 of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence.

All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Further, in terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, all the Independent Directors have passed or were exempted to undertake online proficiency self-assessment test conducted by the IICA. The Board is also of the opinion that the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management.

l) Familiarisation programme for independent directors

The Familiarization Programme for Independent Directors aims to help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/ her to effectively discharge his/ her role as a Director of the Company.

The Independent Directors have complete access to the information within the Company.

Web link to the program is given below:

https://www.ptcfinancial.com/upload/pdf/2015062_FAMILIARISATION_PROGRAMME_MODULE.pdf

The terms and conditions of appointment of Independent Directors is available on the Company's website www.ptcfinancial.com.

m) Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and the SEBI Listing Regulations, one separate meeting of the Independent Directors of the Company was held during the year 2021-22 without the attendance of non-independent directors and members of management to:

i. review the performance of non-independent directors and the Board as a whole;

ii. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

iii. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The results of the above evaluation, assessment etc. were found satisfactory to the Independent Directors.

n) Availability of information to Board Members

The required information, including information as enumerated in Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations is made available to the Board of Directors, for discussion and consideration at the Board Meetings. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the meetings.

o) **Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI Listing Regulations.

The Company pays performance linked remuneration to its Whole Time Directors/Managing Director. It is ensured that the remuneration is determined in a way that there exists a fine balance between fixed and incentive pay. On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The performance evaluation process and related tools are reviewed by the "Nomination & Remuneration Committee" on a need basis, and the Committee may periodically seek independent external advice in relation to the process. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors including Independent Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The results of the above evaluations, assessment etc. were found satisfactory to the Board of Directors.

p) The Board annually reviews compliance reports of all laws applicable to the Company, prepared by the Company.

q) **Code of Conduct**
In compliance with the SEBI Listing Regulations and the Act, a code of conduct for Board Members and Senior Officials is in place. It 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 of conduct is available on the website of the Company at:-

https://www.ptcfinancial.com/upload/pdf/pfs-code-of-conduct.pdf

All the Board members and Senior Management Personnel have affirmed compliance of Code of Conduct for financial year ended on 31st March 2022.

The declaration by the Managing Director & Chief Executive Officer of the Company, under the Schedule V of the SEBI Listing Regulations, affirming compliance with the Code of Conduct by all the Board members and senior managerial personnel for the year ended 31st March 2022 is published in this report.

r) **Code for Prevention of Insider Trading**

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, 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 to concerned designated persons/insiders and their immediate relatives, restraining them not to deal in the shares of the Company when the window is closed.

The code has been intimated to Stock Exchanges where the shares of the Company are listed and has also been duly published on the website of the Company (www.ptcfinancial.com) as prescribed by SEBI.

3. **Committees of the Board of Directors**

The Board has constituted many functional Committees depending on the business needs and legal requirements. As on 31st March 2022, the committees constituted by the Board are as follows:

A. Audit Committee;
B. Nomination and Remuneration Committee;
C. Corporate Social Responsibility Committee;
D. Stakeholder Relationship Committee;
E. Risk Management Committee; and
F. IT Strategy Committee.

In addition to above committees, Board, from time to time, for specific purposes constitute Group of Directors as may be required.

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.

A. Audit Committee

The constitution, role and terms of reference of the Audit Committee of Directors of the Company are in conformity with the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, with all members being financially literate and most having accounting or related financial management expertise.

Terms of Reference

The broad terms of reference of Audit Committee are as follows:

a) 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;
b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   I. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   II. Changes, if any, in accounting policies and practices and reasons for the same;
   III. Major accounting entries involving estimates based on the exercise of judgment by management;
   IV. Significant adjustments made in the financial statements arising out of audit findings;
   V. Compliance with listing and other legal requirements relating to financial statements;
   VI. Disclosure of any related party transactions;
   VII. Modified opinions in the draft audit report;

e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
f) Reviewing, with the management, the statement of uses / application of 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
h) Approval or any subsequent modification of transactions of the Company with related parties;
i) Scrutiny of inter-corporate loans and investments;
j) Valuation of undertakings or assets of the Company, wherever it is necessary;
k) Evaluation of internal financial controls and risk management systems;
l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
n) Discussion with internal auditors of any significant findings and follow up there on;
o) 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;
p) 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;
q) 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;
r) To review the functioning of the Whistle Blower mechanism;
s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
u) Reviewing the utilization of loans/advances from/ investment by the holding Company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
v) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall also mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;
b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
c) Statement of Related Party Transactions submitted by the management;
d) Internal audit reports relating to internal control weaknesses; and
e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee;
f) Statement of deviations:
   a. quarterly statement of deviation (s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1).
   b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32 (7).

Composition

As on the date of this report, the Committee is chaired by Shri Naveen Bhushan Gupta, Non-Executive Independent Director. The composition of Audit Committee and meetings attended by the members as on date are as follows:

Sr. No.	Name of Member	Designation	Status	No. of meetings held	No. of meetings attended
1	Shri Naveen Bhushan Gupta [^^]	Non-Executive Independent Director	Chairperson	NA	
2	Smt. P V Bharathi[^^]	Non-Executive Independent Director	Member		
3	Mrs. Sushama Nath[&/##]	Non-Executive Independent Director	Member	NA	
4	Shri Ramesh Narain Misra[&]	Non-Executive Independent Director	Member		
5	Shri Devendra Swaroop Saksena[&/$$]	Non-Executive Independent Director	Member		
6	Shri Jayant Purushottam Gokhale[&/$$]	Non-Executive Independent Director	Past Chairman		

7	Shri Kamlesh Shivji Vikamsey[$]	Non-Executive Independent Director	Past Chairman	8	8
8	Mrs. Pravin Tripathi[@]	Non-Executive Independent Director	Member	6	6
9	Shri Rajiv Malhotra[#]	Non-Executive Nominee Director	Member	6	6
10	Shri Thomas Mathew Thumpeparambil[*/$]	Non-Executive Independent Director	Member	2	2
11	Shri Pankaj Goel[^]	Non-Executive Nominee Director	Member	1	1

[&] Appointed as member w.e.f. 6th April, 2022
* Appointed as member w.e.f. 29th September 2021
^Appointed as member w.e.f. 08th November 2021
[@]Resigned from the directorship w.e.f. 14th October 2021
\# Resigned from the directorship w.e.f. 06th November 2021
$ Resigned from the directorship w.e.f. 19th January 2022
^^Appointed as member w.e.f. 26th November 2022
\## Resigned from the directorship w.e.f. 22nd November 2022
$$ Resigned from the directorship w.e.f. 02nd December 2022

The meetings of the Audit Committee are also attended by the Managing Director & Chief Executive Officer (CEO), Director (Operations), Chief Financial Officer (CFO), Internal Auditors and Statutory Auditors as special invitees as required. The Company Secretary acts as Secretary to the Committee.

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2022, Audit Committee met seven (7) times i.e. 7th June 2021, 09th June 2021, 19th July 2021, 30th July 2021, 04th August 2021, 13th September 2021 and 09th November 2021. The necessary quorum was present for all the meetings.

The Chairperson of the Audit Committee was present at the last Annual General Meeting held on 24th September 2021 to answer the queries of the shareholders.

B. Nomination and Remuneration Committee

The Board originally constituted Nomination cum Remuneration Committee on 5th August 2008 and subsequently renamed it to its present name on 30th April 2014 pursuant to the provisions of Section 178 of the Act and the provisions of Regulation 19 of the SEBI Listing Regulations. 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, the Act and SEBI Listing Regulations.

Terms of reference

The broad terms of reference of the nomination and remuneration committee are as under:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of an external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. consider the time commitments of the candidates.
c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
d) Devising a policy on diversity of board of directors;
e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
f) To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Composition

As on the date of this report, the Committee is chaired by Smt. Seema Bahuguna, Non-Executive Independent Director. The composition of the Committee and meeting attended by the members during the financial year ended 31st March 2022 are as follows:

Sr. No.	Name of Committee Member	Designation	Status	No. of meetings held	No. of meetings attended
1.	Smt. Seema Bahuguna[^^]	Independent Director	Chairperson	NA	
2.	Shri Pankaj Goel[@@]	Non-Executive - Nominee Director	Member	NA	
3.	Ms. Sushama Nath[@@/##]	Non-Executive - Independent Director	Member		
4.	Shri Ramesh Narain Misra[@@]	Non-Executive - Independent Director	Past Chairperson		
5.	Shri Devendra Swaroop Saksena[@@/*]	Non-Executive - Independent Director	Member		
6.	Shri Jayant Purushottam Gokhale[@@/*]	Non-Executive - Independent Director	Member		
7.	Shri Rajib Kumar Mishra[@@]	Non-Executive - Nominee Director	Member		
8.	Shri Santosh Balachandran Nayar [$]	Non-Executive-Independent Director	Past Chairperson	5	5
9.	Shri Thomas Mathew Thumpeparambil[$/**]	Non-Executive-Independent Director	Member	NA	
10.	Mrs. Renu Narang[$$]	Non-Executive-Nominee Director	Member	4	4
11.	Shri Deepak Amitabh[#]	Non-Executive-Nominee Director	Member	5	5
12.	Mrs. Pravin Tripathi[@]	Non-Executive-Independent Director	Member	5	5

13.	Shri Ajit Kumar^	Non-Executive-Nominee Director	Member	N.A

^^ Appointed as a member w.e.f. 26th November 2022
$ Ceased from the directorship w.e.f. 19th January 2022
**Appointed as a member w.e.f. 08th November 2021
^Ceased from the directorship w.e.f. 08th April 2021
Ceased from the directorship w.e.f. 06th November 2021
@ Ceased from the directorship w.e.f. 14th October 2021
@@Appointed as a member w.e.f. 6th April, 2022
Ceased from the directorship w.e.f. 22nd November 2022
* Ceased from the directorship w.e.f. 02nd December 2022
$$ Appointed as a member w.e.f. 21st June, 2021 and Ceased from the directorship w.e.f. 10th December 2021

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2022, the Nomination and Remuneration Committee met five (5) times i.e. on 21st June 2021, 17th July 2021, 13th August 2021, 28th August 2021 and 13th September 2021.

Performance Evaluation Criteria for all the Directors

The performance evaluation criteria for all directors (including Independent Directors) are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

Remuneration of Directors

The Chairman is not paid any remuneration by the Company and the remuneration of Whole Time Directors is fixed component.

The non-executive Directors in PFS are entitled / paid sitting fee of an amount of Rs. 40,000/- per Board and Committee meeting(s) during the financial year ended 31st March, 2022 as decided by the Board of Directors in their meeting held on 31st January, 2015.

Scope and terms of reference

The scope and terms of reference of the Nomination and Remuneration Committee are in line with the SEBI Listing Regulations, provisions of the Act and any guidelines / circulars issued by the 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.

The remuneration paid to Managing Director & CEO and Whole- Time Directors during the financial year ended 31st March 2022 is as under:

A. Executive Directors

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Dr. Pawan Singh (Managing Director & CEO)	Shri Naveen Kumar (Whole Time Director)
1	Gross salary		
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	78,72,876	26,96,083
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	5,72,100	4,79,167
	c. Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others		
5	Others, Reimbursement of expenses	3,44,844.00	67,874.00
	Total (A)	**87,89,820.00**	**32,43,127.00**

Presently, the Company does not have a scheme for grant of stock options to any director. The CTC structure of the Company including for management is mix of fixed and performance linked. No sitting fee has been paid to the Executive Directors during the financial year ended 31st March 2022.

Notice period / service contracts / severance fee of the directors are as per the Company policy.

None of the above Directors is holding any stock options.

B. Details of payments made towards sitting fee to the Non- Executive Directors for Board/Committee Meetings during FY 2021-2022

The Independent Directors and Non- Executive Directors are paid remuneration by way of sitting fees for each meeting of the Board and Committee of directors attended by them.

There has been no pecuniary relationship / transaction of the Non-Executive Director (including Independent Directors) with the Company except payment of sitting fees to them.

However, the sitting fees are subject to ceiling / limits as provided under the Act and rules made thereunder or any other enactment for the time being in force. The criteria of making payment to non - executive directors is disclosed in the Nomination and Remuneration Policy of the Company which is given at one of the Annexure to the Board's Report and is also disclosed on the website of the Company at:-

http://www.ptcfinancial.com/upload/pdf/nomination_and_remuneratin_board_diversity_policy.pdf

The details of payments made to non-executive directors during the financial year ended 31st March 2022 are as under:

S. No.	Name of Director	Sitting Fee (excluding TDS) (in INR)
1	Shri. Deepak Amitabh	6,40,000
2	Dr. Rajib Kumar Mishra	40,000
4	Shri Rajiv Malhotra	10,00,000
5	Mrs. Pravin Tripathi	11,62,000

6	Shri Kamlesh Shivji Vikamsey	11,20,000
7	Shri Santosh B. Nayar	10,00,000
8	Shri Rakesh Kacker	8,80,000
9	Shri Thomas Mathew T.	9,60,000

Note: - The sitting fee for attending the meetings by the nominee of Promoters are paid to the Promoter Company (i.e. PTC India Limited).

C. Corporate Social Responsibility (CSR) Committee

In compliance with the provisions of Section 135 of the Act, a Corporate Social Responsibility Committee has been constituted by the Company.

Terms of reference

The broad terms of reference of Corporate Social Responsibility Committee, inter-alia, includes:

a. Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013;

b. Recommendation the amount of expenditure to be incurred on the activities referred to in clause (a).

c. Monitoring the Corporate Social Responsibility Policy of the company from time-to-time.

Composition

The composition of the Committee as on the date of this Report and meeting attended by the members during the financial year ended 31st March 2022 are as follows:

Sl. No.	Name of Director	Designation	Status	No. of meetings held	No of meetings attended
1	Shri Deepak Amitabh*	Non- Executive Nominee Director	Past Chairperson	Nil	
2	Shri Devendra Swaroop Saksena[$/#]	Non-Executive - Independent Director	Chairperson		
3	Shri Pankaj Goel[$]	Non-Executive - Nominee Director	Member		
4	Dr. Pawan Singh	Managing Director & CEO	Member		
5	Mrs. Pravin Tripathi^	Non-Executive-Independent Director	Member		

*Resigned from the directorship w.e.f. 06th November 2021
^ Resigned from the directorship w.e.f. 14th October 2021
$ Appointed as a member w.e.f. 16th July, 2022
#Resigned from the directorship w.e.f. 02nd December, 2022

Number of Committee Meetings held during the Financial Year

During FY 2021-22, CSR Committee Meeting of PFS could not be held due to certain unavoidable circumstances.

To attain its CSR objectives in a professional and integrated manner, the Company shall undertake the CSR activities as specified under the Act. The CSR Committee has approved a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company presently, which has also been approved by the Board and the same has been disclosed on the website of the Company *i.e. www.ptcfinancial.com*. Further, the report on CSR Activities / Initiatives is annexed with the Board's Report.

D. Stakeholders' Relationship Committee

In compliance with the Regulation 20 of the SEBI Listing Regulations and provisions of Section 178 of the Act, the Company has a Stakeholders' Relationship Committee. The Stakeholders Relationship Committee of the Board consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, and non-receipt of declared dividends.

Terms of Reference

The Committee looks into redressing of investors complaint like delay in transfer of shares, demat, remat, non- receipt of declared dividends, non- receipt of Annual Reports etc. and such other related work as may be assigned by the Board from time to time. The Committee oversees the performance of Registrar and Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

Composition

The composition of the Committee as on date and meetings attended by the members during the financial year ended 31st March 2022 are as follows:

Sl. No.	Name of Member	Designation	Status	No. of meetings held	No. of meetings attended
1	Shri Devendra Swaroop Saksena[$/^^]	Non-Executive - Independent Director	Member	NA	
2	Shri Pankaj Goel[$]	Non-Executive - Nominee Director	Member		
3	Shri Pawan Singh[$]	Managing Director & CEO	Member		
4	Mrs. Pravin Tripathi*	Non-Executive-Independent Director	Member	1	1
5	Shri Kamlesh Shivji Vikamsey[#]	Non-Executive-Independent Director	Member	1	1
6	Shri Thomas Mathew T. [#]	Non-Executive-Independent Director	Member	1	1
7	Shri Rajiv Malhotra^	Non-Executive-Nominee Director	Member	1	1

*Resigned from the directorship w.e.f. 14th October 2021
^ Resigned from the directorship w.e.f. 06th November 2021
# Resigned from the directorship w.e.f. 19th January 2022
$ Appointed as member w.e.f. 16th July 2022
^^Resigned from the directorship w.e.f. 02nd December 2022

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2022, the Stakeholder Relationship Committee met once on 31st August 2021.

Name & Designation of Compliance Officer

1. Mr. Vishal Goel, Company Secretary and Compliance Officer (till 25th June 2022)

2. Mr. Mohit Seth, Company Secretary and Compliance Officer (w.e.f. 25th June 2022 upto 16th November 2022)

3. Ms. Shweta Agrawal, Company Secretary and Compliance Officer (w.e.f. 17th November 2022)

Details of Investor Complaints received and resolved during the year

Status of complaints from investors for the financial year ended 31st March 2022 are as follows:-

Sl. No.	No. of complaints pending at the beginning of the year	No. of Complaints received during year	No of complaints resolved during year	No. of Complaints pending as at the end of year
1.	0	627	627	0

All the complaints have been resolved satisfactorily.

E. Risk Management Committee

The Risk Management Committee was constituted by Board on 7th July 2009. The Risk Management Committee 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.

Terms of reference

The Risk Management Committee has been constituted under Risk Management Policy of the Company, inter-alia, for the purpose of reviewing risk management in relation to various risks, namely, market risk, credit risk and operational risk.

Composition

The composition of Risk Management Committee as on date of this Report and meeting attended by the members during the financial year ended 31st March 2022 are as follows:

Sl. No.	Name of Director	Designation	Status	No. of meetings held	No of meetings attended
1	Shri Ramesh Narain Misra**	Non -Executive-Independent Director	Chairperson	NA	
2	Shri Pankaj Goel**	Non -Executive-Nominee Director	Member		
3	Shri Rakesh Kacker*	Non -Executive-Independent Director	Chairperson	4	4
4	Dr. Pawan Singh	Managing Director & CEO	Member	4	4
5	Shri Santosh Balachandran Nayar#	Non -Executive-Independent Director	Member	4	4
6	Shri Rajiv Malhotra^	Non -Executive-Nominee Director	Member	4	4

* Resigned from the directorship w.e.f. 31st December 2021
^ Resigned from the directorship w.e.f. 06th November 2021
# Resigned from the directorship w.e.f. 19th January 2022
** Appointed as member w.e.f. 16th July 2022

During the financial year ended 31st March 2022, Risk Management Committee met four (4) times i.e., on 1st April 2021, 01st June 2021, 21st June 2021 and 31st July 2021.

F. IT Strategy Committee

The IT Strategy Committee was constituted by Board on 25th June 2018.

Terms of reference

The IT Strategy Committee is constituted in accordance with the RBI Master Direction – Information Technology Framework for the NBFC Sector on 8th June, 2017.

Composition
The composition of IT Strategy Committee as on the date of this Report and meeting attended by the members during the financial year ended 31st March 2022 are as follows:

Sl. No.	Name of the Director	Designation	Status	No. of meetings held	No. of meetings attended
1	Jayant Purushottam Gokhale*/^	Non -executive-Independent Director	**Chairman/ Member**	N.A	
2	Dr. Pawan Singh*	Managing Director & CEO	**Member**		
3	Shri Pankaj Goel*	Non -executive-Nominee Director	**Member**		
4	Shri Thomas Mathew T.#	Non -executive-Independent Director	Past Chairperson	1	1
5	Shri Kamlesh Shivji Vikamsey #	Non -executive-Independent Director	Member	1	1
6	Shri Rajiv Malhotra@	Non -executive-Nominee Director	Member	1	1
7	Shri Naveen Kumar $	Whole Time Director	Member	1	1

*Appointed as member w.e.f. 16th July 2022
#Resigned from directorship w.e.f. 19th January 2022
@ Resigned from directorship w.e.f. 06th November 2021
$ Resigned from directorship w.e.f. 9th July 2021
^Resigned from directorship w.e.f. 02nd December 2022

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2022, the IT Strategy Committee met one (1) time on 07th July 2021.

4. General Body Meeting(s)

a) Details of last three Annual General Meetings ("AGM") are as under

Year ended	AGM	Date	Day	Time	Location	Special Resolutions
31st March 2021	15th AGM	24th September 2021	Friday	11:00 A.M.	Through Video Conferencing (VC)	1. To re-appoint Shri Kamlesh Shivji Vikamsey (DIN: 00059620) as an Independent Director of the Company. 2. To re-appoint Shri Santosh Balachandran Nayar (DIN: 02175871) as an Independent Director of the Company.
31st March 2020	14th AGM	22nd September 2020	Tuesday	11:00 A.M.	Through Video Conferencing (VC)	Nil
31st March 2019	13th AGM	30th September, 2019	Monday	10:30 A.M.	Dr. SRKV Auditorium, Kendriya Vidyalaya No.2, APS Colony, Gurgaon Road, Delhi Cantt., New Delhi-110010	1. To appoint M/s. MSKA & Associates, Chartered Accountants as Statutory Auditors and to fix their remuneration. 2. To re-appoint Mrs. Pravin Tripathi (DIN: 06913463) as an Independent Director of the Company.

No Extra-Ordinary General Meeting(s) were held during last three (3) years.

b) Special Resolutions passed last year through Postal Ballot – details of voting pattern

During the year ended 31st March 2022, no Special Resolutions were passed through Postal Ballot.

c) Special Resolution proposed to be conducted through Postal Ballot

As on the date of this report, no special resolutions proposed to be conducted through Postal Ballot.

5. Subsidiary Companies

The Company does not have any subsidiary company.

6. Holding Company

PTC India Limited holding 64.99% of the paid - up equity share capital of the Company, is the holding company of PFS.

7. Means of Communication & Website

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 SEBI Listing Regulations. 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, report on Corporate Governance which is circulated to the members and others entitled thereto for each financial year and is displayed on the Company's website at *www.ptcfinancial.com*. Further, official news releases have also been posted on the website of the Company and presentations are made to institutional investors and analysts on the Company's audited annual financial results.

8. General Shareholder information

i. Annual General Meeting for FY 2022

Date	Time	Venue
30th day of December, 2022	11:00 A.M.	Meeting is being conducted through Video Conferencing.

For details please refer to the notice of the AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards 2, particulars of Director seeking re-appointment at the ensuing AGM are given in the Explanatory Statement annexed to the Notice of the AGM.

ii. Financial calendar

Financial Year ended on 31st March 2022

Particulars	Date
Financial year	1st April 2021 to 31st March 2022

iii. Payment of Dividend

a. Dividend Distribution Policy
The Company has adopted Dividend Distribution Policy to set out the parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to its shareholder. The Dividend Distribution Policy is enclosed to the Board Report and is also available on Company's website at: http://www.ptcfinancial.com/upload/pdf/Dividend%20Distribution%20Policy-PFS.pdf

b. Final Dividend details for financial year 2021-22

The Board has not recommended any dividend for FY 2021-22.

c. **Dividend History for the last five years**

Sr. No.	Financial Year	Total Paid up Capital in Rs.	Rate of Dividend (%)
1	2020-21	6,422,833,350	Nil
2	2019-20	6,422,833,350	4.5%
3	2018-19	6,422,833,350	8%
4	2017-18	6,422,833,350	2%
5	2016-17	6,422,833,350	15%
6	2015-16	5,620,833,350	12%

d. **Pay-out date for payment of Final Dividend**

Not Applicable

iv. **Listing of Stock Exchanges and Stock Codes**

PFS equity shares are listed on the following stock exchanges:

Sl. No.	Name of the Stock Exchange	Address of the Stock Exchange	Stock Code	ISIN No.
1	National Stock Exchange of India Limited ("NSE")	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	PFS	INE560K01014
2	BSE Limited ("BSE")	Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001	533344	

No securities of the Company are suspended.

v. **Listing Fee**

The annual listing fee for FY 2021-22 (as applicable) has been paid by the Company to NSE and BSE. Further, the Company has also paid the Annual Custody Fee to National Securities Depository Limited ("NSDL") and Central Depository Services Limited ("CDSL").

vi. **Infrastructure Bonds**

PFS has also issued Non- Convertible Debenture ("NCD"), Infrastructure Bonds and Commercial Papers carrying the following ISIN codes as on 31st March 2022:

Sr. No.	Name	ISIN Code
1	PFS NCD Series 3	INE560K07037
2	PFS Infra Bond Series 2 Option III	INE560K07102
3	PFS Infra Bond Series 2 Option IV	INE560K07110
4	PFS NCD Series 4	INE560K07128
5	PFS NCD Series 5	INE560K07136

vii. **Market Price Data**

High, Low (based on daily closing prices) and number of equity shares traded during each month in FY 2022 on NSE and BSE:

Month	NSE				BSE			
	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)
Apr-21	18.2	18.9	16.45	17	18.1	18.9	16.2	17.05
May-21	16.95	19.9	16.75	18.6	16.9	19.9	16.85	18.55
Jun-21	18.95	22.3	18.3	20.35	18.95	22.2	18.3	20.3
Jul-21	18.95	22.3	18.3	20.35	20.75	23.05	19.6	20.45
Aug-21	20.55	22	15.75	18.1	20.5	21.7	15.75	18.1
Sep-21	18.1	21.45	17.1	20.3	17.8	21.4	17.3	20.3
Oct-21	20.05	23.5	18.8	19.35	19.8	23.5	18.8	19.35
Nov-21	19.5	21.3	18.05	18.15	19.45	21.4	18	18.2
Dec-21	18.35	20.5	17.75	19.6	18.5	20.4	17.65	19.55
Jan-22	19.7	25.95	17.65	19	19.9	25.9	17.65	19
Feb-22	19.1	19.6	15.55	16.15	19	19.6	15.55	16.15
March-22	16.2	17.75	15	15.6	16.25	17.5	15.35	15.6

viii. **Performance in comparison to indices**

a. **PFS, Nifty and Sensex Comparison**

Month	PFS Price	Nifty 50	Sensex
Apr-21	17	**14631.1**	**48782.36**
May-21	18.6	**15582.8**	**51937.44**
Jun-21	20.35	**15721.5**	**52482.71**
Jul-21	20.35	**15763.05**	**52586.84**
Aug-21	18.1	**17132.2**	**57552.39**
Sep-21	20.3	**17618.15**	**59126.36**
Oct-21	19.35	**17671.65**	**59306.93**
Nov-21	18.15	**16983.2**	**57064.87**
Dec-21	19.6	**17354.05**	**58253.82**
Jan-22	19	**17339.85**	**58014.17**
Feb-22	16.15	**16793.9**	**56247.28**
Mar-22	15.6	**17464.75**	**58568.51**

ix. **Registrar and Transfer Agents**

For Equity and Infrastructure Bonds

Name	Kfin Technologies Private Limited
Registered Office Communication Address	Kfin Technologies Private Limited KFin Technologies Pvt. Ltd. Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana. Toll free number - 1800-309-4001
E-mail	einward.ris@kfintech.com
Website	https://www.kfintech.com and / or https://ris.kfintech.com/

Members are requested to note that, our Registrar and Share Transfer Agents have launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our investors. Now you can download the mobile app and see your portfolios serviced by KFINTECH. Check Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM".

x. **Share Transfer System**

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01st April, 2019 unless the securities are held in dematerialized form with the depositories. All such requests are handled and disposed off by Company's Registrar & Share Transfer Agent i.e. Kfin Technologies Private Limited within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

Further pursuant to Regulation 40(9) of SEBI Listing Regulations, certificate on yearly basis confirming the due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

As per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit Report, confirming 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, was obtained from Practicing Company Secretary and submitted to the stock exchanges with in stipulated time.

xi. **Distribution of shareholding**

➢ **Distribution by size**

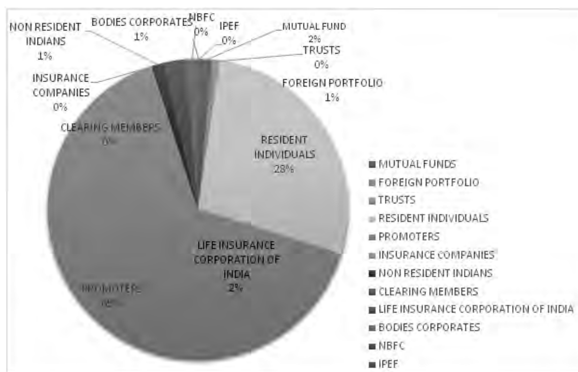
Distribution Schedule - Consolidated as on 31st March, 2022						
Sl. No.	Category (Amount)	Total Cases	Total Cases %	Total Shares	Total Amount	Total Amount %
1	1-5000	88385	67.4247	15034344	150343440	2.3408
2	5001-10000	17765	13.5521	15358409	153584090	2.3912
3	10001-20000	10678	8.1457	17146404	171464040	2.6696
4	20001-30000	4308	3.2864	11315441	113154410	1.7618
5	30001-40000	2224	1.6966	8125117	81251170	1.265
6	40001-50000	2161	1.6485	10396035	103960350	1.6186
7	50001-100000	3178	2.4243	24100234	241002340	3.7523
8	100001& Above	2388	1.8217	540807351	5408073510	84.2007

Nominal Value of each Share is Rs.10/-

➢ **Distribution by Category**

Shareholding Pattern As On 31/03/2022 (Total)							
		Without Grouping			With Grouping		
Sl. No.	Description	No. of Cases	Total Shares	% Equity	No. of Cases	Total Shares	% Equity
1	MUTUAL FU NDS	1	9895362	1.54	1	9895362	1.54
2	FOREIGN PORTFOLIO - CORP	17	4887826	0.76	17	4887826	0.76
3	TRUSTS	6	20171	0.00	6	20171	0.00
4	RESIDENT INDIVIDUALS	125919	167704876	26.11	116607	167704876	26.11
5	PROMOTERS	1	417450001	64.99	1	417450001	64.99
6	INSURANCE COMPANIES	1	1000000	0.16	1	1000000	0.16
7	NON RESIDENT INDIANS	964	6699315	1.04	959	6699315	1.04
8	CLEARING MEMBERS	96	2069172	0.32	73	2069172	0.32
9	Qualified Institutional Buyer	1	13547168	2.11	1	13547168	2.11
10	NON RESIDENT INDIAN NON REPATRIABLE	494	1672007	0.26	482	1672007	0.26
11	BODIES CORPORATES	421	8089869	1.26	409	8089869	1.26
12	NBFC	1	3500	0.00	1	3500	0.00
13	I E PF	1	12822	0.00	1	12822	0.00
14	H U F	3164	9231246	1.44	3117	9231246	1.44
	Total:	131087	642283335	100.00	121676	642283335	100.00

➢ **Graphical Representation of Shareholding Pattern of the company on the basis of distribution by category as on 31st March 2022**



xii. **Dematerialization of shares**

Through Kfin Technologies Private Limited, Registrar and Share Transfer Agent, the Company has established connectivity with both NSDL and CDSL. Under the Depository System, the International Securities Identification Number ("ISIN") allotted to our shares under the Depository System is INE560K01014.

As on 31st March 2022, 99.99% of our shares were held in dematerialized form and the rest in physical form. Details of shares held in dematerialised and physical mode as on 31st March 2022 are as under:

Category	Number of Shares	% of total equity
Dematerialised mode		
• NSDL	**55,95,78,267**	**87.12**
• CDSL	**8,26,76,950**	**12.88**
Total	64,22,55,217	100
Physical	**28,118**	0
Grand Total	**64,22,83,335**	**100**

i. Shares Liquidity

The trading volumes at the Stock Exchanges (i.e. NSE and BSE), during the financial year 2021-22, are given below:

Months	NSE	BSE
	Number of Shares Traded	Number of Shares Traded
Apr-21	3,50,63,000	2,747,434
May-21	1,04,80,000	3,447,314
Jun-21	2,67,41,000	9,933,985
Jul-21	7,39,83,000	7,663,153
Aug-21	6,30,48,000	4,487,477
Sep-21	2,99,53,000	7,537,255
Oct-21	3,50,63,000	8,196,355
Nov-21	7,44,04,000	2,638,022
Dec-21	1,69,40,000	3,256,395
Jan-22	2,16,03,000	15,757,343
Feb-22	12,22,20,000	4,029,291
March-22	1,97,15,000	5,303,271

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

The Company has not issued any GDRs, ADRs, Warrants or any convertible instruments.

iii. Commodity price risk or Foreign Exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be provided.

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The aim of the Company's approach to manage currency risk is to leave the Company with no material residual risk. The Company uses forward exchange contract to hedge against its foreign currency exposures relating to firm commitment. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks. The Company does not enter into any derivative instruments for trading or speculative purposes.

iv. Plant locations

The Company does not have any plant. However, the Company is having 6MW Wind Turbine Generators at Kunduru Village, Davangere District, Karnataka.

v. Address and Details for correspondence

Ms. Shweta Agrawal
Company Secretary and Compliance Officer (w.e.f. 17th November 2022)
PTC India Financial Services Limited
7th Floor, Telephone Exchange Building
8, Bhikaji Cama Place, New Delhi – 110066
Tel. : +91 11- 26737300
Fax: + 91 11- 26737373
Email: info@ptcfinancial.com
Website: www.ptcfinancial.com

vi. Credit Ratings

List of credit ratings obtained along with revisions during the FY 2021-22

	As on 31.03.2022			As on 08.11.2022		
	CRISIL	ICRA	CARE	CRISIL	ICRA	CARE
NCD/ Bonds	CRISIL A+/Watch Developing	ICRA A+(Placed on rating watch with negative implications)	CARE A+/ Stable	CRISIL A+/Watch Developing	ICRA A+(Placed on rating watch with negative implications)	CARE A+/ Negative
Long Term Loan	CRISIL A+/Watch Developing	ICRA A+(Placed on rating watch with negative implications)	CARE A+/ Stable	CRISIL A+/Watch Developing	ICRA A+(Placed on rating watch with negative implications)	CARE A+/ Negative
Short Term Loan	-	ICRA A1+ (Placed on rating watch with negative implications)	CARE A1+	-	ICRA A1+ (Placed on rating watch with negative implications)	CARE A1+
Commercial Paper	CRISIL A1+/Watch Developing	ICRA A1+ (Placed on rating watch with negative implications)	-	CRISIL A1+/ Watch Developing	ICRA A1+ (Placed on rating watch with negative implications)	-

9. CEO and CFO Certification

The certificate required under Regulation 17(8) of the SEBI Listing Regulations, duly signed by Managing Director & CEO and CFO was placed before the Board. The same is annexed to this annual report.

10. Compliance Certificate on Corporate Governance

In terms of Regulation 34 of the SEBI Listing Regulations, the Certificate on Corporate Governance issued by Practicing Company Secretary is annexed to this report.

11. Other Disclosures

A. Materially Significant Related Party Transactions and Policy thereto

All transactions entered into by the Company during the financial year with the related parties are in compliance with the applicable provisions of the Act and SEBI Listing Regulations and do not have potential conflicts with the interest of the

Company. Further, the details of related party transactions are presented in Notes forming part of the financial statements. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy for determining Materially Significant Related Party Transactions and the same is disclosed on website of the Company at the link:

https://www.ptcfinancial.com/upload/pdf/20150629_Policy_materiality_of_Related_Party_Transactions.pdf

B. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority during last three years

There were no instances of non-compliance on any matter related to the capital markets during the last three years except for the Financial Year 2021-22.The penalties imposed or strictures passed against the Company by the statutory authorities on the matters related to capital markets, during the last three years are herein below mentioned. Further, the Company has duly paid the penalties/fines as levied by the stock exchanges. Details of such penalties/fines imposed in the financial year 2021-22 are provided herein- under.

i. Penalties levied by BSE

Regulation reference of SEBI Listing Regulations	Quarter	Fine Amount per day	Fine Amount (in Rs.)
33	31st December 2021	5000	1,40,000/-
19(1)/(2)	31st March 2022	2000	44,000/-
20(2)/(2A)	31st March 2022	2000	1,08,000/-
21(2)	31st March 2022	-	2,000/-
52	For Quarter 3 Results	1000	45,000/-
54	For Quarter 3 Results	1000	45,000/-
33	For Quarter ended 30 June 2022	5000	2,25,000/-
52(4)	For Quarter ended 30 June 2022	1000	29,000/- + 5,220/-
54(2)	For Quarter ended 30 June 2022	1000	29,000/- + 5,220/-
33	For Quarter ended 30 June 2022	5000	1,45,000/- + 26,100/-

ii. Penalties levied by NSE

Regulation	Quarter	Fine Amount per day	Fine Amount (in Rs.)
33	31st December 2021	5000	1,40,000/-
19(1)/(2)	31st March 2022	2000	44,000/-
20(2)/(2A)	31st March 2022	2000	1,08,000/-
21(2)	31st March 2022	2000	2,000/-
52	For Declaration of Result of Quarter ending December 2021	1000	29,000/-
54(2)/(3)	For Declaration of Result of Quarter ending December 2021	1000	29,000/-
52(4)	For Quarter ended 30 June 2022	1000	29,000/- + 5,220/-
54(2)	For Quarter ended 30 June 2022	1000	29,000/- + 5,220/-
33	For Quarter ended 30 June 2022	5000	1,45,000/- + 26,100/-

C. Vigil Mechanism/Whistle Blower Policy

The Company's Whistle Blower policy is an 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. The policy on vigil mechanism is disclosed on website of the Company at the link:

https://www.ptcfinancial.com/upload/pdf/whistle_blower_policy.pdf

D. Details of Compliance with Mandatory/ Non Mandatory requirements

In addition to the compliance with mandatory requirements, the Company has also adopted the following non-mandatory requirements in terms of the SEBI Listing Regulations:

The Board

The Chairman of the Company is a Non- Executive Nominee Director.

Internal Auditor

The internal auditor reports directly to the Audit Committee.

E. Policy on determining Material Subsidiary

The Company has adopted a policy on material subsidiaries.The policy for determining 'material' subsidiaries is disclosed on website of the Company at:- http://www.ptcfinancial.com/upload/pdf/20150629_Policy_on_determining_Material_Subsidiaries.pdf.

However, the Company is not having any subsidiary company.

F. Accounting treatment in the preparation of the 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 applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013.

12. Non- Compliance of any requirement of Corporate Governance report with reasons thereof

The Company has complied with the requirements of the Schedule V of SEBI Listing Regulations. Further, the Company is also in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, however, due to cessation of Directors / resignation of the Independent Directors, PFS has been non-compliant with respect to the various provisions of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, as detailed below:

I. Composition of the Board (for the period from 19th January, 2022 till 29th March, 2022)

In terms of the provisions of the Regulation 17 (1) (C) of SEBI Listing Regulations, PFS shall have atleast 6 Directors. Further, in terms of the provisions of the Regulation 17 (1)(b) of the SEBI Listing Regulations, atleast half of the Board shall consist of the Independent Directors.

Post resignation of the all the IDs w.e.f. 19th January 2022, PFS was left with only 3 Directors (i.e. Two Nominees of PTC and one Whole Time Director) and without any independent directors and the same has been complied with effect from 29th March 2022.

II. Appointment of atleast One Woman Independent Director (for the period from 13th January, 2022 till 29th March, 2022)

In terms of Regulation 17(1) (a) of SEBI Listing Regulations, the PFS shall have atleast one Women Independent Director. Earlier, Mrs. Pravin Tripathi was the Women Independent Director whose tenure was completed on 14th October, 2021 and PFS was required to fill the vacancy till 13th January, 2022 (ie. within three months from the date of the vacancy).

The vacancy was filled on 29th March 2022.

III. Composition of the various committees of the Board

As on 30th June, 2022, the composition of various statutory committees of the PFS was dysfunctional except for Audit Committee and Nomination and Remuneration Committee.

However, such committees i.e., Stakeholders' Relationship Committee, Nomination & Remuneration Committee, IT Strategy Committee and Corporate Social Responsibility Committee were reconstituted on 16th July 2022.

IV. Meeting of the Board/ Committees

a) **Board Meeting:** In terms of the provisions of Section 173 of the Companies Act, 2013 read with rules mentioned thereto and Regulation 17(2) of the SEBI Listing Regulations, the board of directors shall meet at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings. In this regard, the requirement of minimum gap between two board meetings was not followed in the preceding year i.e., 09th November 2021 and 06th April 2022. Thereafter, in the current financial year, the Company has been following with the said requirement.

b) **Audit Committee Meeting:** In terms of the provisions of Section 177 of the Companies Act, 2013 read with rules mentioned thereto and Regulation 18 (2) of the SEBI Listing Regulations, the audit committee shall meet at least four times in a year and not more than one hundred and twenty days between two meetings.

In this regard, the requirement of minimum gap between two meetings of Audit Committee was not followed in the preceding year i.e., 09th November 2021 and 08th April 2022. Thereafter, in the current financial year, the Company has been following with the said requirement.

c) **Risk Management Committee Meeting:** In terms of the provisions of Regulation 21 of the SEBI Listing Regulations, the risk management committee shall meet at least twice in a year and the meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.

The meeting of the Risk Management Committee was held on 31st July 2021 and thereafter next meeting was held on 16th July 2022 i.e., almost the gap of one year.

d) **IT Strategy Committee Meeting:** In terms of the RBI circular the IT Strategy Committee should meet at an appropriate frequency but not more than six months should elapse between two meetings.
The meeting of the IT Strategy Committee was held on 7th July 2021 and thereafter next meeting was held on 16th July 2022 i.e., almost the gap of one year.

e) **Stakeholders' Relationship Committee:** In terms of the provision of Regulation 20 of SEBI Listing Regulations, the Stakeholders' Relationship Committee shall meet at least one in a year.

During the financial year 2022, one (1) meeting was held on 31st August 2021.

V. Declaration of the results for the period ended 31st March, 2022, 30th June, 2022 and 30th September, 2022:

In terms of Regulation 33 of SEBI Listing Regulations, PFS is required to submit yearly financial results within a period of 60 days from the end of the relevant quarter. The financial results for the period ended 31st March 2022 were declared on 16th November 2022.

VI. Holding of Annual General Meeting:

The Annual General Meeting of the Company was to be held on or before 30th September 2022. However, an extension for holding the Annual General Meeting for a period of 3 months i.e., till 31st December 2022 was obtained.

Accordingly, the Annual general meeting of the Company is to be held on 30th December 2022.

VII. Non-Compliance for obtaining shareholders' approval under Regulation 17(1C) of SEBI Listing Regulations:

The listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

In relation to appointment of Directors on 29th March 2022 the requisite approval was not taken keeping in view, the Directions issued by SEBI via letter dated 13th May 2022 to not change the Board Structure.

13. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the period under review, Company has not raised any funds through preferential allotment or qualified institutions placement.

14. Whether the Board has where the board had not accepted any recommendation of any Committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

15. Detail of total fees paid by the Company along with subsidiaries to the Statutory Auditors and their network firms:

The details of total fees for all services incurred by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm /network entity of which the statutory auditor is a part, are as follows:

Particulars	Amount in Rs. (In millions)
Services as statutory auditors (incl. quarterly limited reviews)	9.00
Tax audit	1.80
Other matters (certification and reporting)	8.20
Re-imbursement of out of pocket expenses	1.51

Quarterly Audit/ Limited review report	16.20
Total	**36.71**

16. Related Party Disclosure

The details of related party disclosures inclusive of loans /advances / investments at the year end and maximum outstanding amount thereof during the year, as required under Part A of Schedule V of the SEBI Listing Regulations have been mentioned in the Notes Financial Statements for the financial year ended on 31st March 2022.

Disclosure of transactions of the Company with any person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the Company is provided in the notes to financial statements.

Further, the Company, during the year, has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Party Partnerships or any other parties.

17. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

An Internal Complaints Committee has been constituted to look into grievance /complaints of sexual harassment lodged by employees as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, no complaints were received during the year and no complaint is pending on 31st March 2022.

No. of Complaints pending at the beginning of the year	No. of Complaints received during the year 2021-22	No. of Complaints disposed off during the year 2021-22	No. of Complaints pending at the end of FY 2021-22
Nil			

18. Practicing Company Secretary Certificate as to none of the Directors are being debarred / disqualified

A certificate from Practicing Company Secretary, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is also Annexed to the Annual Report.

19. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

S. No.	Particulars	No. of Shares
1	Aggregate number of Shareholders and the outstanding shares in the suspense account lying at beginning of the year	1000 shares held by 1 shareholder
2	Number of Shareholders who approached issuer for transfer of shares from suspense account during the year	-
3	Number of shareholders to whom shares were transferred from suspense account during the year	-
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1000 shares held by 1 shareholder

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

Declaration of Code of Conduct

I hereby confirm that the Company has received a confirmation from all the members of the Board and Senior Management, for the financial year ended March 31, 2022, that they are in compliance with the Company's Code of Conduct

For **PTC India Financial Services Ltd.**

Sd/-

Date: 03rd December 2022
Place: New Delhi

Dr. Pawan Singh
(Managing Director & Chief Executive Officer)

CEO and CFO Certificate to the Board of Directors

(Under Regulation 17(8) of Securities and Exchange Board ofIndia (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Date : 15th November, 2022

We Certify to the Board that:-

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of Company's 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 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:-

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/–
Dr. Pawan Singh
MD & CEO

Sd/–
Sanjay Rustagi
CFO

Place : New Delhi

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
PTC INDIA FINANCIAL SERVICES LIMITED,
7th Floor, Telephone Exchange Building 8,
Bhikaji Cama Place,
New Delhi-110066

We have examined the compliance of the conditions of the Corporate Governance by **PTC INDIA FINANCIAL SERVICES LIMITED** ("the Company") for the Financial Year ended 31st March, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "Listing Regulations"].

The compliance of the conditions of the Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither audit nor an expression of the 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 and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned "Listing Regulations" *except Regulation 17, 18 19, 20, 21, 33, 52 and 54 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015* as applicable during the year ended 31st March, 2022.

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

FOR DWIVEDI & ASSOCIATES
COMPANY SECRETARIES

DWIVEDI & ASSOCIATES
NEW DELHI
CP No. 9080
F8055
Company Secretaries

CS Awanish Kumar Dwivedi
Membership No.: F8055
CP No.: 9080
UDIN: F008055D002577864
Place: New Delhi
Date: 03/12/2022
Peer Review Certificate
No. 1632/2021

CERTIFICATION OF NON-DISQUALIFIACTION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (I) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PTC INDIA FINANCIAL SERVICES LIMITED,
7th Floor, Telephone Exchange Building 8,
Bhikaji Cama Place,
New Delhi-110066

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PTC INDIA FINANCIAL SERVICES LIMITED** having **CINL65999DL2006PLC153373** and having registered office at 7th Floor, Telephone Exchange Building 8, Bhikaji Cama Place, New Delhi-110066 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(I) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.inas considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	PAWAN SINGH*	00044987	01/02/2012
2	PANKAJ GOEL	03006647	08/11/2021
3	RAJIB KUMAR MISHRA	06836268	08/11/2021
4	JAYANT PURUSHOTTAM GOKHALE	00190075	29/03/2022
5	RAMESH NARAIN MISRA	03109225	29/03/2022
6	SUSHAMA NATH	05152061	29/03/2022
7	DEVENDRA SWAROOP SAKSENA	08185307	29/03/2022

* He was appointed as a whole time director from the period of 01.02.2012 till 02.10.2018 and he was appointed as Managing Director & CEO w.e.f. 03.10.2018.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

DWIVEDI & ASSOCIATES
NEW DELHI
CP No. 9080
F8055
Company Secretaries

CS Awanish Dwivedi
Mem. No.: F8055; CP No.: 9080
Peer Review Certificate No. 1632/2021
UDIN: F008055D002578128

Place: New Delhi
Date: 03.12.2022

MANAGEMENT DISCUSSION ANALYSIS

Industry Scenario

"Entities such as PTC India Financial Services Ltd have been attempting to look beyond opportunities in the power sector and create a pan infrastructure portfolio with limited success." (*Excerpts from the Report of the Task Force National Infrastructure Pipeline (NIP)of Niti Ayog)*

India is the fastest-growing trillion-dollar economy in the world after USA, China, Japan, Germany and United Kingdom, driven by key structural reforms and further reduction in external vulnerabilities. Our GDP growth has been 7.5% in fiscal year (FY) 2022 and expected to grow at 8% in FY2023, supported by increased public investment in infrastructure and a pickup in private investment. Power, roads and bridges, telecommunications, railways, irrigation and urban accounted for ~95% of the infrastructure investment. Centre and states were the major funding sources for power and roads, with participation from the private sector. The infrastructure investment was around ~5.8% of gross domestic product (GDP).

India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching COVID-19 vaccinations, which helped reduce the severity of the third pandemic wave with minimal disruptions to mobility and economic activity. The Government of India's policy to improve logistics infrastructure, incentives to facilitate industrial production, and measures to improve farmers' income will support the country's accelerated recovery. Government of India has retained its focus on fiscal consolidation and implemented structural reforms for further growth in the infrastructure sector in general.

Large public infrastructure investments planned over the next 2 years will encourage more private investment. Together with the PM Gati Shakti initiative to improve India's logistics infrastructure, increased financial and technical support to states to expand capital investment will boost infrastructure spending and help spur economic growth. The government's production-linked incentive scheme will provide a thrust to the manufacturing sector in coming years.

In Dec 2019, Government of India has envisaged expenditure of Rs 102 Lac Crore on Infrastructure till FY2025 under National Infrastructure Pipeline (NIP). The projects will be implemented in the next five years as part of the government's spending push in the infrastructure sector. To achieve the GDP target of $5 trillion by 2024-25, India needs to spend about $1.4 trillion (Rs. 100 Lakh Crore) over this period on infrastructure. In March 2022, the government has increased the number of projects under NIP from existing from 6,835 to 9,335 projects cumulatively costing ~Rs 132 lakh crore till fiscal 2025, to build infrastructure projects and drive economic growth, energy, roads, railways and urban projects are estimated to account for the bulk of projects (around 70%) etc.

The Government's policy to increase private sector participation, with the Government permitting 100 per cent Foreign Direct Investment (FDI) has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. Indian infrastructure sector is facing a paradigm shift moving towards timely completion of projects as against the general phenomenon of delay in completion of projects due to the delay in obtaining approval and clearances, lack of co-ordination between various departments and the resultant delay in project completion. The mix of Public Private Participation model is continuously increasing, thereby, increasing confidence, support and investment in the infrastructure sector.

With the aim to achieve a US$ 5 trillion GDP, and to steer the Indian economy for the next 25 years under the aegis of PM Gati-Shakti, infrastructure development shall be key area of capex outlay. The increase in Budget outlay by 35.4% (from INR 5.54 lakh crores to INR 7.50 lakh crores in FY 2022-23) reflects the Government's commitment for economic growth and sustainable development. Out of the above, the government has allocated INR 1 trillion for providing 50-year tenure interest-free loans to the state governments for catalyzing investments which would further lead to creation of infrastructure projects at the local level.

The Report of the Task Force National Infrastructure Pipeline (NIP) expects that out of the total sources of funding for the National Investment pipeline, 15%-17% of the funding is expected to come from the NBFCs and the balance is expected to come from a judicious mix of Centre-State Budget, PSU's, Banks, Equity, Bond markets etc. Capital outlay by Public Sector NBFCs are therefore projected to grow at 12% and the private sector NBFCs are projected to grow at 15% given the lower base. NBFCs have played a crucial role as one of the key contributors to India's economy by providing a fillip to infrastructure, employment generation, wealth creation and access to financial services for the rural and weaker sections of society. In the last few years, NBFCs have contributed more to infrastructure lending than banks. As India's economy grows further, requirement for credit is bound to surge, and NBFCs, along with banks, can act as the key credit facilitators, which is likely to give a strong push to the growth and development of the Indian economy. Infrastructure Finance Companies (IFCs) are likely to post 10%-12% loan growth in FY23 on rising credit demand and renewed government efforts to revive public works projects.

In addition to developing world class infrastructure, our country is also committed to meeting its commitments under the Nationally Determined Contributions (NDCs) submitted by countries under the Paris Agreement of the United Nations Framework Convention on Climate Change (UNFCCC) which represent pledges on climate action that seek to limit global warming to well below 2°C, preferably to 1.5 °C, over pre-industrial levels. Thus a balance between development and growth leading to sustainable development has not only remained a buzzword but has become a modus operandi for many businesses across the globe.

Climate change has today emerged as an unprecedented existential crisis. Emerging countries like India will need greater access to green finance and appropriate green instruments to facilitate this transition particularly to support climate change vulnerabilities. As overwhelming as the challenges are, PFS's unshakable belief that business possesses immense capability to make a transformational contribution has become a driving force behind making sustainability the bedrock of our business strategy, leading towards sustainable and inclusive growth in a unified dimension. PFS has been a carbon positive company for the last decade and is driven by the commitments under the nationally determined contributions. Pursuing a proactive strategy of decarbonization PFS is increasing its renewable energy footprint in answering green infrastructure by scaling up carbon neutral projects and ensuring in all our business verticals. PFS is now scaling up the efforts in E-mobility sector which would enable us to move a step closer towards meeting our Country's ambitious targets under the NDCs sustainable development goals within the energy, transportation, roads and water treatment projects.

PFS over the years has moved away from the traditional power business of thermal and hydro and built a book around green and sustainable business and other government focused sectors such as ports, transmission, HAR Road projects, etc. The focus will continue to be on green sustainable sunshine sector. While a large part of AUM constitutes renewable and road business, with the advent of new sectors like E-mobility, water management; waste of energy; HAM projects in various sectors including road, water; airports; ports; transmission and many more. Post COVID, with government focus on revival of the economy infrastructure sector will play a pivotal role and we will continue to see huge funding opportunities in this sector in the next few years.

Renewable Energy Sector Outlook

India's mission to become a $ 5 trillion economy hinges on rapid growth in the energy sector. Energy consumption in the country has almost doubled since 2000 and is set to grow further. This calls for huge investments over the next few years. It also entails segment specific reforms in power generation, transmission and distribution and storage, to ensure uninterrupted power supply to urban and rural areas and meet the massive infrastructure needs of what may soon become the world's most populous country. One of the key pillars for the inclusive sustainable growth of the nation is generation of power from renewable sources which is crucial for the economic growth and sustainable development. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition mainly through renewable sources in the country.

According to the Ministry of Power, India's power consumption grew 2% YoY at 130.35 billion units (BU) in August 2022 over the same month last year. The level of availability and accessibility of affordable and quality power is also one of the main determinants of the quality of life. India is the third largest producer after China and USA and second largest consumer of electricity in the world and had an installed power capacity of 407.97 GW as of September 2022. India was ranked fourth in wind power, fourth in solar power and fourth in renewable power installed capacity, as of 2021. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

Our Country has set up an ambitious target of 280 GW of installed solar capacity by 2030. India is likely to add an estimated 16 GW of renewable energy in FY23, as the country has a strong pipeline of 55 GW clean energy projects. Outlook for capacity addition remains strong due to a large project pipeline and highly competitive tariffs offered by these projects. Commitments made at the COP26 summit such as increasing non-fossil fuel power capacity to 500 GW and meeting 50 percent energy requirement through renewables by 2030, strengthen prospects for the renewable energy sector. There remains large under-development solar, wind and hybrid capacities of more than 55 GW.

Near term challenges include execution headwinds and supply chain challenges for procuring modules and wind turbine generators. The average price of imported solar PV modules (Mono PERC) has increased by over 35 percent over the past 12 months, putting upward pressure on capital costs for solar power projects. Besides this, there was also a hike in Goods and Services Tax (GST) rate for solar power equipment. The availability of adequate funding avenues at cost competitive rates remains critical to achieve these capacity targets.

Government made an additional allocation of INR 19,500 crore in the budget for PLI scheme for domestic manufacture of high efficiency modules (with priority to fully integrated manufacturing units from polysilicon to solar PV modules) which will provide further opportunities for PFS to partner in the sun-shine sector as a credible partner for the overall development of the sector.

Power Transmission Sector Outlook

The country's power transmission sector has witnessed unprecedented growth in the past five years, with line length and transformer capacity growing at an average annual growth rate of 6.5 per cent and 9.6 per cent, respectively. Further, both operational and financial performances of the transmission utilities have witnessed an improvement in the past few years. Further, Government of India has focused on development of green and dedicated corridor for evacuation of generated power from renewable energy projects. The augmentation of transmission and distribution network capacity is required to meet the generation demand from various sources, which will lead to enough business potential in the sector for PFS in coming years.

Going forward, an estimated Rs 2.6 trillion investment is required in the transmission sector to meet future peak load. The private sector is expected to play an important role in achieving the country's grid expansion targets as competitive bidding gains momentum at both interstate and intra-state levels. Several grid expansion programmes such as the GEC and cross-border links are underway to expand the physical grid infrastructure. Further, transmission utilities, at the central and state level, are expected to invest significantly in new technologies to make grids more reliable, resilient, secure and smart. The sector is also expected to immensely benefit from major policy reforms including the Electricity Act amendments and the Tariff Policy amendments.

Roads and Highways Sector Outlook

The share of roads sector investment in the overall infrastructure investment was ~17% between fiscals 2019 and 2022, rising at ~19% CAGR. As part of bolstering infrastructure in the country, which aims to become a USD 5 trillion economy in the coming times, building high quality roads and ensuring smooth connectivity is a key priority.

Roads are part of an integrated multimodal system of transport which influences the pace, structure and pattern of economic development. Road provides crucial links to airports, railway stations, ports and other logistical hubs and acts as a catalyst for economic growth by playing a critical role in the supply chain management. India has the second largest road network in the world, spanning a total of 5.89 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute.

GOI has allocated Rs.1.75 lakhs crores for development of roads in FY 23 budget and the National Highways network to be expanded by 25,000 KM in 2022-23. PM GatiShakti National Master Plan to encompass the engines for economic transformation, seamless multimodal connectivity, and logistics efficiency. Expressways to be augmented in 2022-23 to facilitate faster movement of people and goods.

Sustainability Infra Sector Outlook

Few of the sunshine green sustainable sectors that PFS will additional focus on going forward will include e-mobility, sewage treatment, waste management etc.

E-Mobility : The future of E mobility is set to shift as a result of climatic change, growing fuel prices, and urban transportation issues. To a large extent, e-mobility addresses all of these issues. While the first electric vehicle was launched in India way back in 2001, the fundamental shift from internal combustion engine (ICE) based vehicles to electric vehicles (EV) started only in the last five years. According to NITI Aayog and Rocky Mountain Institute, India's EV market could touch US$152.2 billion by 2030. Moreover, about 80% of two- and three-wheelers and 50% of the country's four-wheelers would be electric vehicles. This trend demonstrates an enormous possibility for Financial Institution to look funding of viable projects.

Transportation sector has also been identified as one of the major sectors for local pollution resulting in rise in air pollution. In a move to address the issues of National energy security, vehicular pollution and growth of domestic manufacturing capabilities Government of India unveiled the 'National Electric Mobility Mission Plan (NEMMP) 2020'. The Department of Heavy Industry (DHI) launched Phase-II of the Scheme on 8th March 2019, with the approval of Cabinet with an outlay of Rs. 10,000 crores for a period of 3 years commencing from 1st April 2020. DHI, has approved the sanction of 5,595 electric buses to 64 Cities. PFS has been a pioneer in funding one of the first projects in the electric vehicle public transportation sector by assisting manufacturing and operations of more than 350 e-Buses across 6 major cities in the country. PFS intends to leverage its experience in funding this sun-shine sector by funding more projects leading to reduction in vehicular pollution and sustainable development.

Sewage and Waste water Treatment : The India wastewater treatment plants market stood at USD 2.6 billion in 2020 and is further projected to reach USD 5.3 billion by the year 2027, growing at the CAGR of 10.8% in the forecast period. India's wastewater treatment plants market is growing rapidly due to stringent government regulations in India and increasing water pollution. Further, NMCG is the Cabinet approved nodal agency has laid out a total outlay of Rs 20,000 Crore for implementing Namami Gange in India for cleaning, rejuvenation, and protection of the river Ganga. A total of 153 sewerage infrastructure projects have been sanctioned in eight (8) States (Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, West Bengal, Delhi, Haryana, and Himachal Pradesh) till date to create/rehabilitate 5065 MLD sewage treatment capacities and Sewer network of 4972 Km at a cost of Rs. 23,305 Crore along Ganga and its tributaries. Out of 153 sewerage infrastructure projects, 56 projects are completed which have created, ~670 MLD sewage treatment capacity and are

presently in operation. There is a budgetary allocation of Rs.65,549 crs in FY 23 under various program of Sewage and Waste water Treatment across India.
Solid Waste Management : The Indian waste management market is witnessing a healthy growth rate, owing to the high population density and increased industrial activity, which is generating high amounts of wastes, both hazardous and non-hazardous. Waste Type includes Municipal Solid Waste, Hazardous Waste, E-waste, Plastic Waste, Bio-Medical Waste. The Indian waste management industry offers huge potential, as only 30% of the 75% recyclable waste is being recycled currently. Shortage of proper policies for collection, disposal, and recycling and the lack of efficient infrastructure are few of the many reasons leading to poor waste management in the country. Many companies are coming up with innovative ideas to manage wastes, as well as convert them into valuable resources. While the above sector will be the focus for PFS, the company will continue to look to diversify its portfolio in green and sustainable businesses like green hydrogen etc.

Financial and Operational Performance

In FY 2021-22 the total income decreased by 15% from Rs 1139.45 crore in FY2020-21 to Rs 968.74 crore. However, this got offset significantly by decrease in finance cost by 23% to Rs 581.47 crore as compared to Rs 752.98 crore in FY 2020-21. In FY 20-21, the Spread on earning portfolio has improved to 3% from 2.71% and NIM on earning portfolio has improved from 3.47% to 4.19%. The other expenses decreased by 51.35% to Rs 16.99 crore during FY 2021-22 as compared to Rs 34.92 crore in FY 2020-21, the decrease in provision is due to one-time provision made during the FY 2020-21 amounting to Rs 10.39crore for payment made to YIEDA towards stamp duty for purchase of land. Other income increased by 79% to Rs 15.86 crore during FY 2021-22 compared to Rs 8.88 crore in FY 2020-21. Provision for Impairment on Financial Instruments has decreased to Rs 167.86 crore in FY 2021-22 from Rs 231.84 crore in FY 2020-21.

During the FY 2021-22, with the focused efforts of the management, one NPA loan accounts amounting to Rs. 206.92/- crore were resolved and few loan accounts are on verge of resolution. During the year gross NPAs have decreased from Rs. 824.11 crore to Rs. 724.09 crore and net NPAs have increased from Rs. 313.06 crore to Rs. 386.84 crore. For FY 2021-22, Gross NPA as a % to gross advances was 8.29% and Net NPA as a % to net advances was 4.67% as compared to 7.64% and 3.08% respectively for FY 2020-21. The Company is continuously focusing on resolving the stress assets and the efforts may result in better profitability in coming years. Most of the NPA accounts belong to legacy portfolio primarily comprising of Thermal projects. The Company is shifting its focus on other areas including renewable energy because of which the company's exposure to thermal has reduced to 10% in FY 2021-22 in comparison to 30% as at FY 2015-16.

The profit before tax (PBT) for FY 2021-22 stood at Rs. 173.91 crore compared to Rs. 93.42 crore in FY 2020-21. The profit after tax (PAT) for FY 2021-22 stood at Rs. 129.98 crore against Rs. 25.60 crore in FY 2020-21.

Risk Management

PFS's risk management framework is based on clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring.
The Board of Directors of PFS has oversight of all risk assumed by PFS with specific committees of the Board constituted to facilitate focussed risk management. There is adequate representation of independent directors in each of these committees. The proceedings and decisions of these Committees are reported to the Board. The policies approved by the Board of Directors or Committees of the Board from time to time constitute the governing framework within which business activities are undertaken.
The hallmark of PFS's Risk Management function is that it is independent of the business sourcing unit with the convergence only at MD level.
The key risks that PFS is exposed to in the course of business are Credit Risk, Market Risk, Liquidity Risk and Operational Risk. These risks not only have a bearing on PFS's financial strength and operations but also its reputation.

Credit Risk

PFS's core business is lending, which exposes it to various types of credit risk especially failure in repayments and increase in non-performing loans. PFS measures, monitors and manages credit risk at an individual borrower level and at the portfolio level. In the last few years, PFS has strengthened its credit risk management framework by adopting Early Warning Signal Framework (EWS Framework) and introducing sector specific credit risk grading framework.
Further, PFS rigorously adheres to RBI mandated prudential norms on provisioning of stressed assets and has adopted stringent approach in taking aggressive provisioning thereby preserving the shareholder value. During the year, PFS has worked on the resolution of the stressed assets portfolio and has significantly reduced the quantum of stress assets.

Market Risk

Liquidity Risk is the risk that PFS may not be able to meet its short term financial obligation due to an asset liability mismatch or interest rate fluctuation.
PFS's framework for liquidity and interest rate risk management is spelt out in its Asset Liability Management Policy that is implemented, monitored and periodically reviewed by ALCO. ALCO provides guidance for management of liquidity of PFS and the management of interest rate risk within the broad parameters laid down by the Board of Directors/RMC.

Operational Risk

There is a risk of loss resulting from inadequate or failed internal processes, people or systems or from external events. This could include fraud or other misconduct by employees or outsiders, unauthorised transactions by employees and third parties, misreporting or non-reporting with respect to statutory, legal or regulatory reporting and disclosure obligations, operational errors including clerical and record keeping and system failures.
PFS had Operational Risk Management Policy that covers the system of internal controls, systems and procedures to monitor transactions, key back-up procedures and undertakes regular contingency planning.

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.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has established procedures for an effective internal control. The policies and procedures have been laid down with an objective to provide reasonable assurance that assets of the Company are safeguarded from risks of unauthorised use / disposition and the transactions are recorded and reported with proprietary, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audit. The Company has also laid down adequate internal financial controls. During the year, such controls were tested and no material weakness in their operating effectiveness was observed. The Finance and Accounts function of the Company is adequately staffed with experienced and qualified personnel. Board of Directors and the Audit Committee review the operational and financial performance of the company at regular intervals.

HUMAN RESOURCES

The Company has a highly committed, loyal and dedicated team. The Company promotes an atmosphere which encourages learning and informal communication within the organisation. The Company is having Performance Management System to objectively measure the performance of the individual and the organization. The overall remuneration structure is linked with such system.

During the unprecedented Covid 19 pandemic, your company has responded positively and instantly according to the guidelines issued by the Central and State Governments. Health of the employees has always been the utmost priority of the Company; hence the Company has successfully conducted the vaccination drive for the employees, their members of family and the stake holders in the premises of the factory. The other required safety norms were followed throughout the company.

Regular employee strength as on 31st March, 2022 stood at Forty Five (45).

Changes in Key Financial Ratios

The key changes in financial Ratios are as follows:

Sl. No.	Particulars	2021-22	2020-21	Change in %	Reason of change
1	Debt equity ratio	3.14	4.37	-28.15%	Company has prepared its part borrowing out of cash flow generated from prepayment of its loan by borrowers.
2	Operating profit margin	16.59%	7.48%	121.79%	Operating profit margin improved on account of the reduction in provision on loan portfolio and capital advance.
3	Net profit	12998.48	2560.31%	407.69%	In addition to reduction in provision, company adopted new tax reginee whereby defered tax assets as at March 2022 carried at lower rates and difference charged to Profit & Loss. Thus increasing the overall net profit.
4	Return on net worth	5.93%	1.22%	386.07%	On account of above stated reasons, return on net worth improved.

INDEPENDENT AUDITOR'S REPORT
To The Members of
PTC India Financial Services Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of PTC India Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its total comprehensive income (comprising of profits and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

On January 19, 2022, three independent directors of the Company resigned mentioning lapses in governance and compliance. The Company, basis directions of the audit committee in its meeting held on April 26, 2022, appointed an independent firm (the "Forensic auditor"), vide engagement letter dated July 18, 2022, to undertake a forensic audit in relation to the allegations raised by ex-Independent directors.

On November 4, 2022, the Forensic auditor submitted its final report to the Company which included, in addition to other observations, instances of modification of critical sanction terms post sanction approval from the Board, non-compliance with pre-disbursement conditions, disbursements made for clearing overdues (evergreening), disproportionate disbursement of funds and delayed presentation of critical information to the Board. The Company's management has appointed a professional services firm (the "External Consultant") to assist the management in responding to such observations and subsequently, also obtained a legal opinion contesting certain matters with respect to the contents, including matters highlighted as evergreening in the Forensic audit report, and approach adopted by the Forensic Auditor. Accordingly, the management, has rebutted the observations made by the Forensic auditor and has confirmed that, in their view, there is no additional impact on the Company's standalone financial statements for financial year 2021-22 and that there are no indications of any fraud or suspected fraud. The Company has uploaded Forensic audit report, the management's responses, report from External Consultant and legal opinion on the website of stock exchanges.

In the adjourned audit committee meeting held on Nov 13, 2022, the committee considered the Forensic audit report and management's responses thereon and accepted the findings in the report, by majority but with dissent of two directors out of five directors. We have been informed about the discussions held in the meeting and reasons for dissent expressed by two directors as set out in the Company's communication to us dated November 15, 2022, as attached in Annexure A accompanying our report.

In the board meeting held on November 13, 2022, the board of directors of the Company (with the absence of Chairperson of the Audit Committee in the meeting, who recorded a dissent on the matters being discussed in his absence) considered the Forensic audit report, Management's responses, Report of External Consultant and legal opinions. We have been informed about the observations and views expressed in the meeting as set out in the Company's communication to us dated November 16, 2022, as attached in Annexure B accompanying our report.

Due to resignation of the former independent directors, the Company has not complied with the various provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to constitution of committees and sub-committees of the Board, timely conduct of their meetings and filing of annual and quarterly results with respective authorities. The Company intends to file for condonation of delay for non-compliance of such provisions with respective authorities. The Company has also not finalized the minutes of audit committee meetings held since November 9, 2021, which results in non-compliance with applicable provisions. (Refer Note 55(c) of the Standalone Financial Statements)

In light of the constraints and limitations highlighted by the Forensic auditor while preparing the Forensic audit report and as also noted by the Audit Committee, several concerns raised therein as described in the second paragraph above (including observations around evergreening) and lack of specific procedures and conclusions thereon, divergent views among directors regarding forensic audit report (as further detailed in Annexure A and B, accompanying our report), we are unable to satisfy ourselves in relation to the extent of forensic audit procedures and conclusion thereon, including remediation of the additional concerns raised therein.

Considering the above and indeterminate impact of potential fines and/ or penalties due to non-compliance of various provisions as mentioned above, we are unable to obtain sufficient and appropriate audit evidence to determine the extent of adjustments, if any, that may be required to the standalone financial statements for the year ended March 31, 2022.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements:

1. SEBI vide its email dated March 2, 2022, did not accede the Company's request for conducting Board Meeting without an independent director. Subsequent to this, with recommendation of the Holding Company, the Company appointed four independent directors through circular resolution who have been also the independent directors on the Board of PTC India Limited (the "Holding Company"). The Company, basis email from SEBI acknowledging Company's email which summarised the mode of appointment of these directors through circular resolution and opinion received from external legal firm, believes that there is no non-compliance with SEBI's directions vide its email dated March 2, 2022. (Refer Note 55(b) of the Standalone Financial Statements)

2. The Company had received a communication from ROC on March 28, 2018, pursuant to complaints received from identified third parties, alleging mismanagement in the Company's operations. The Company had submitted a reply dated April 18, 2018, after discussion with the audit committee, and denied all allegations and regarded them as

frivolous attempt made by such identified third parties. On September 24, 2021, the Company received another notice from ROC u/s 206(4) of the Companies Act, 2013, pursuant to its previous communication in 2017-18 and reference to complaints received by them in 2017-18, seeking further information on certain matters including details about erosion of investments made in associate companies and actions taken by the management including other details and details about NPA accounts. While the Company responded to this notice on October 22, 2021 and no further intimation from ROC has been received till date, the Company does not expect any action by ROC on this matter. (Refer Note 57 of the Standalone Financial Statements)

3. In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from Resolution Professional for loan assets under IBC proceedings or otherwise, one time settlement (OTS) proposal, asset value as per latest available financials of the borrowers with appropriate haircut as per ECL policy). The Company expects to recover the net carrying value of these assets, basis assessment of current facts and ECL methodology which factors in future economic conditions as well. However, the eventual recovery from these loans may be different from those estimated as on the date of approval of these standalone financial statements. (Refer Note 56 of the Standalone Financial Statements)

4. As at March 31, 2022, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date. (Refer Note 58 of the Standalone Financial Statements)

5. We have been informed by the Company that RBI's officials visited the premises of the Company in May, 2022 and reviewed few documents, in context of allegations made by former Independent directors of the Company. The management has represented that while the Company has satisfactorily responded to queries of officials, no formal response has come from RBI, so far, in this regard. (Refer Note 55(a) of the Standalone Financial Statements)

Our opinion is not modified in respect of these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's Statement, Director's Report etc, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The other information has not been shared with us upto the date of this report and therefore, at this stage, we have nothing to report in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Expected Credit Losses (ECL) model** As described in the notes to the standalone financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included: • Determining the criteria for a significant increase in credit risk (`SICR') • Techniques used to determine the Probability of Default (TD') and Loss Given Default (`LGD') • Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows etc. Refer Notes 2 (g), 2 (q), 7 and 44A.2 to the standalone financial statements.	<u>Audit Procedures</u> We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards and prudential norms laid down by RBI. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the impairment reserve, internal credit quality assessments, external credit ratings and methodology followed for computation of ECL. • For Expected Credit Losses computed by the management, we performed the following procedures: (a) Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection; (b) Examined the key data inputs (valuation of collateral, the timing of cash flows and realisations) to the ECL model on a sample basis to assess their accuracy and completeness; (c) Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk. (d) Assessed the Company's methodology for ECL provisioning, Classification and Measurement with the assistance of our internal experts; (e) Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	**Impairment of loans to customers** Allowance for impairment losses on loans to customers involves significant judgement by management to determine the timing and amount of the asset to be impaired. Refer Notes 2 (g), 2 (q), 7 and 44A.2 to the standalone financial statements	<u>Audit Procedures</u> We assessed the appropriateness of the Company's impairment review and provisioning policy by comparing with the RBI prudential norms and applicable accounting standards; Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and operating effectiveness of the relevant controls over the impairment assessments and impairment allowance computations for loans and advances to customers. • We tested the management assumptions, estimates and judgements, which could give rise to material misstatement: a. The completeness and timing of recognition of loss events; b. The measurement of provisions for individual instances of loans which is dependent on the valuation of security provided and the collaterals against each loan, the timing of cash flows and realisations; c. We discussed with management and scrutinised the appropriateness of those key assumptions applied in management's impairment assessment, and compared them with available external evidence where necessary. d. The measurement of modelled provisions, which is dependent upon key assumptions relating to probability of default, loss given default and expected future recoveries; e. Performed procedures to obtain comfort on the accuracy of the impairment calculation process through recalculation of the provision charge based on inputs; f. Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.
3	**Evaluation of uncertain tax positions for Income taxes** The Company has material uncertain tax positions relating to matters under litigation for Income taxes. These matters involve significant management judgement to determine the possible outcome of disputes. Refer Note 2 (j), 2 (q) and 34 to the standalone financial statements.	<u>Principal Audit Procedures</u> We obtained details of completed income tax assessments during the year ended March 31, 2022 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income taxes. Additionally, we considered the effect of new information in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure C" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure D" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) Except for the possible effect of the matters described in the Basis of Qualified Opinion section above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) Except for the possible effect of the matters described in the Basis of Qualified Opinion section above, 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, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) The matter described in Basis of Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure E".

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 52 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

      iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, except for the possible effect of matters described in the Basis of Qualified Opinion section above, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv(b) contain any material misstatement; and

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information and explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676
UDIN: 22505676BDGXSP5731

Place: Gurugram
Date: November 16, 2022

Annexure A

1. **Resolution as agreed by (adjourned) Audit Committee in meeting dated: 13th November, 2022 and confirmed by all members.**

"It is noted that the Forensic Auditor has given his findings in the Final Forensic Audit Report submitted by him on 4th November 2022. It is also noted that the forensic auditor has concluded that the findings as given by him in the draft report are not significantly altered by the explanations given by the management. The Audit Committee discussed these findings in reasonable detail and noted that the audit committee can go into even further detail in giving its observations on the forensic audit report. However as emphasized repeatedly by the management, considering the urgency of adoption of the annual accounts for the year ended March 22, it is felt that the significant and salient aspects of the forensic audit report have been brought out in the discussion and also the statutory auditor, who was present as an invitee during this discussion has taken note of these observations and examined the report of the forensic auditor in complete detail. Therefore, at this stage, the audit committee decides not to go into a further detailed discussion of the contents of the forensic audit report, its findings and conclusions in light of the priorities mentioned by the management. Accordingly, the audit committee takes on record Final Forensic Audit Report submitted by CNK & Associates LLP and thanks them for their services. After this discussion it was resolved that:-

The audit committee accepts findings of the forensic auditor as given in the Final Forensic Audit Report. The committee recommends them to the Board for appropriate follow up action. The Committee notes the constraints and scope limitations operating on the forensic auditor, which find mention in the Forensic Audit Report and that but for such limitations the forensic auditor would probably have been able to give even more specific findings. The Committee has also taken note of the responses given by the management. The Committee also notes that an external agency was appointed by the management to act as advisors to the management in responding to the findings given by the forensic auditor. It is noted that the views expressed by the said advisors contain many reservations, disclaimers and limitations. Some of the salient disclaimers are mentioned in the email dt 8th Oct 22 sent by the Chairman of the Committee to the board members. It is seen that the advisors state that they have relied on the *justification provided by the management*; and *it is possible that there are factual inaccuracies where we have not been provided with the complete picture/information/documentation on a particular matter by the process owners.* In turn the management states that it has relied upon the consultant's findings to prepare their response to the forensic audit report. The audit committee therefore has given limited weightage to the recommendations of the consultant. The committee also notes that the statutory auditor assures that all significant aspects of the forensic audit report have been taken into consideration by them and further, that these aspects have been taken into consideration in auditing the financial results for the year ended March 22, and that appropriate modifications based on these findings have been suitably incorporated in their reports.

The above resolution was proposed by the Chairman (D1) and approved of by D4 & D5.

D2 expressed his dissent stating that in addition to the other points as mentioned by him during the course of discussions, he did not agree with the concept of evergreening as interpreted / applied by the forensic auditor. He also felt that the forensic auditor had been selective in the presentation of certain facts and also, he was not in agreement with the findings given by the forensic auditor in regard to Shri Ratnesh and related matters. He was not in agreement with scope limitation or constraints mentioned by Forensic Auditor. The Forensic Auditor has not done weekly discussions with the management as stipulated in the engagement letter, which is legally binding on him. He also pointed out that the limitations mentioned in the Advisor's Report should be read in full, not selectively and the limitations as expressed are as per generally accepted norms.

D3 recorded his dissent on the basis of numerous issues mentioned by him in the course of earlier discussion including all the points specifically stated by D2. Further, Advisors has clarified that the facts mentioned in their note were based on independent review of supporting documents in relation to reply submitted by PFS. Thus, it was their independent assessment.

Basis the above, the Resolution was adopted and passed with a majority of 3 against 2 dissents."

This is issued on specific requirement of Statutory Auditors and above resolution was passed during the meeting and minutes will be finalised shortly.

Sd/-	**Sd/–**
(Dr. Pawan Singh)	(Mohit Seth)
MD&CEO	Acting CS

Annexure B

2. **<u>Resolution as agreed by Board Meeting dated: 13th November, 2022 and confirmed by all members present in the meeting (except one Director -Audit committee chairman who was not present in the meeting)</u>**

The Board considered the forensic audit report of CNK along with management replies, E&Y remarks, legal opinion by Former CJI, legal opinion of CAM and Former Director (Finance) of PFC. The Board noted that the Audit Committee considered the forensic audit report of CNK on 11, 12 and 13th Nov and accepted the report by majority (3:2). The Board deliberated the report and observed that;

i. CNK report is that CNK has not identified any event having material impact on the financials of the Company. Hence not quantified.

ii. CNK has not identified any instance of fraud and diversion of funds by the company.

iii. Procedural / operational issues identified by CNK needs to dealt with expeditiously.

iv. The Issue related to Mr. Ratnesh has already been examined by RMC committee of PTC (Holding Company) and approved by Board of PTC India. The report is already submitted to the regulators.

The Company has already complied by SEBI (LODR) by submitting the same to Stock Exchanges along with management comments and E&Y remarks. The management is directed to submit the report of Forensic Audit with management comments, E&Y remarks, legal opinion by Former CJI, legal opinion of CAM and former Director (Finance) of PFC and this Board resolution to SEBI.

The Board is of the view that recommendation of E&Y may be obtained by management to strengthen the business processes & operational issues and submit to the Board at the earliest.

This is issued on specific requirement of Statutory Auditors and above resolution was passed during the meeting and minutes will be finalised shortly.

Sd/–
(Mohit Seth)
Acting CS
16/11/2022

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

  Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2022 (current period) and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner

Place: Gurugram
Date: November 16, 2022

Membership No.: 505676
UDIN: 22505676BDGXSP5731

ANNEXURE D TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, if any) as disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets, if any) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

(a) The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations provided to us, while the Company has been sanctioned working capital limits on the basis of security of loan assets, no limits have been sanctioned on the basis of security of current assets. We have been informed by the Company that banks/ financial institutions have not considered loan assets (which are expected to be recovered in next twelve months) as current assets, given their underlying nature of recovery over the longer tenure. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii.

(a) According to the information explanation provided to us, the Company's principal business is to give loans. Hence, the requirements under paragraph 3(iii) (a) of the Order are not applicable to the Company.

(b) Based on our examination and the information and explanations given to us, except for the possible effect of the matters described in the Basis of Qualified Opinion section of our main report, in respect of the loans granted, investments made and guarantees provided (letter of comfort), in our opinion, the terms and conditions under which such loans and guarantees provided are not prejudicial to the interest of the Company.

(c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of infrastructure finance lending, the borrower-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the possible effect of the matters described in the Basis of Qualified Opinion section of our main report, while there are delays, the parties are generally regular in repaying the principal amounts, as stipulated, and interest, as applicable and wherever the amounts are overdue as at March 31, 2022, the Company has evaluated and recognized provisions, if necessary, in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 46 to the standalone financial statements).

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases	Principal amount overdue* (INR Lakhs)	Interest amount overdue (INR Lakhs)	Total overdue	Remarks (specify whether reasonable steps have been taken by the Company for recovery of principal amount and interest)
10	95,284.11	9,910.29	105,194.40	According to the information and explanation given to us, except for the possible effect of the matters described in the Basis of Qualified Opinion section of our main report, reasonable steps have been taken by the Company for recovery of principal amount and interest.

*The amount indicates the total principal outstanding in case of the overdue accounts as at March 31, 2022.

(e) The Company's principal business is to give loans. Hence, the provisions stated under paragraph 3(iii) (e) of the Order are not applicable to the Company.

(f) According to the information explanation provided to us, the Company has not granted any loans and / or advances in the nature of loans during the year which are either repayable on demand or without stipulating the schedule for repayment of principal and interest. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company is in the business of lending loans, which are given at the interest rates which are generally higher than the minimum rates stipulated in section 185, and therefore section 185 is not applicable to the Company. The Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated in clause 3(v) of the Order are not applicable to the Company.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other material statutory dues applicable to it, were outstanding at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of goods and services tax, cess and any other statutory dues, as applicable, which have not been deposited on account of any dispute except as below:

Name of the statute	Nature of dues	Amount Involved* (INR lakhs)	Amount Unpaid (INR lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax	2,936.70	937.09	2012-2017	Income Tax Appellate Authority
Income tax Act, 1961	Income Tax	754.58	94.99	2012-13, 2014-15, 2017-18	Upto Commissioner (Appeals)

*Amount as per demand orders including interest and penalty wherever indicated in the order.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its associates. The Company does not have any subsidiary or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate companies. The Company does not have any subsidiary or joint venture.

x.

(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year except:

I. the possible effect of the matters described in the Basis for Qualified Opinion section of our main report;

II. Following matters have been reported by the Company to the Reserve Bank of India (RBI) during the year:

- NSL Nagapatnam – The Company has loan recoverable from NSL Nagapatnam amounting to Rs. 12,500 lakhs as at March 31, 2022. The underlying project has been referred for resolution under IBC proceedings, wherein the Company is also the party. Basis facts of the case, during the year, the Board has reviewed and directed the management to report this loan as "suspected fraud" to RBI basis report of the forensic auditor, appointed by the Company to investigate the borrower's books and accounts, wherein such auditor couldn't verify the transactions within group entities and therefore, the report remains inconclusive. We have been informed that, vide its letter dated August 12, 2021, the Company sent a letter to RBI explaining all facts of the matter. In the previous year, the Company had accrued 100% provision for ECL against the outstanding balance and therefore, net balance (net off provision for ECL) is NIL as at March 31, 2022.

- ILFS – The Company has loan recoverable from ILFS, Tamil Nadu amounting to Rs. 23,069.47 lakhs (including accrued interest amounting to Rs. 4,685.29 lakhs) as at March 31, 2022, with corresponding provision for ECL amounting to Rs. 9,400.16 lakhs as at March 31, 2022. The Company has also recognized Rs. 13,669.31 lakhs in Impairment Reserve as at March 31, 2022 related to this matter. On Feb 4, 2022, the Company reported this account as "Fraud" in FMR 1 to RBI basis position taken by other lenders in the consortium. Basis forensic audit report from the Forensic auditor appointed by the consortium, the nature of fraud primarily comprises of diversion and misappropriation of borrowed funds, routing of sales proceeds with accounts maintained with non-lender banks and availing services from vendors at higher prices compared to quotes available with the borrower.

(b) We are in the process of filing a letter with the Central Government in relation to inter alia matters included in the Basis of Qualified opinion para of our main report. This is not a filing in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to Company. However, we draw your attention to the resignation letters from former Independent directors as set out in the basis of Qualified Opinion section of our main report.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, except for the possible effect of the matters included in the Basis of Qualified Opinion section of our main report, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports issued by internal auditors during our audit in accordance with the guidance provided in SA 610 – 'Using the work of Internal Auditors'.

xv. According to the information and explanations given to us, in our opinion, the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi.

(a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-banking Institution - Non-Deposit taking Systematically Important (NBFC-ND-SI) Company.

(b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company. However, vide our letter dated June 30, 2022, read with our email dated May 14, 2022, to the Company, we have sent our intimation for proposed resignation as statutory auditors of the Company after completion of our responsibilities as statutory auditors for the year ended March 31, 2022.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, except of the possible effect of the matters described in Basis of Qualified Opinion section of our main report, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of this audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

(a) According to the information and explanations given to us, the provisions of Section 135 of the Act are applicable to the Company. In respect of other than ongoing projects, the Company has transferred the amount remaining unspent to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months from the end of the financial year, as permitted under the second proviso to sub-section (5) of section 135 of the Act.

(b) The Company does not have any ongoing projects as at March 31, 2022. Accordingly, reporting under clause xx(b) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 22505676BDGXSP5731

Place: Gurugram
Date: November 16, 2022

ANNEXURE E TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Qualified Opinion

We have audited the internal financial controls with reference to standalone financial statements of PTC India Financial Services Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, except for the possible effect of the matters described in the Basis for qualified opinion below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2022, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

We have considered the above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2022, and it affects our opinion on the standalone financial statements of the Company for the year ended on that date and we have issued qualified opinion on the standalone financial statements. Refer Qualified Opinion para of our main audit report.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, we draw your attention to the following:

1. Matters described in the Basis of Qualified Opinion section of our main report including matters relating to divergent views among directors regarding forensic audit report, constraints and limitations highlighted by the Forensic auditor while preparing the Forensic audit report as also noted by the Audit Committee, several concerns raised therein (including the observations around evergreening) and lack of specific procedures and conclusions thereon; and

2. The Board, at its meeting held on November 13, 2022, gave certain directions to expeditiously address the operational issues identified by the Forensic auditor, including on obtaining recommendations from the External Consultant for strengthening the business processes and operational issues (as fully detailed in Annexure B). We understand that these steps are yet to be taken by the management.

Pending conclusion of these matters, we are unable to determine their impact on the design and operating effectiveness of internal financial controls over financial reporting, including entity level controls, as at March 31, 2022.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 22505676BDGXSP5731

Place: Gurugram
Date: November 16, 2022

PTC India Financial Services Limited
Standalone Balance Sheet as at March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A	**ASSETS**			
1	**Financial assets**			
a.	Cash and cash equivalents	3	33,800.21	48,940.12
b.	Bank balance other than (a) above	4	61,903.66	36,519.90
c.	Derivative financial instruments	5	1,008.45	1,127.65
d.	Trade receivables	6	110.62	376.86
e.	Loans	7	805,931.43	996,110.63
f.	Investments	8	35,002.62	37,330.01
g.	Other financial assets	9	81.65	62.49
			937,838.64	**1,120,467.66**
2	**Non-financial assets**			
a.	Current tax assets (net)	10	9,385.73	22,815.17
b.	Deferred tax assets (net)	11	3,159.44	7,712.35
c.	Property, Plant and Equipment	12	827.68	876.88
d.	Right of use-Buildings	12	315.84	735.09
e.	Other Intangible asset	13	14.25	16.07
f.	Other non-financial assets	14	91.42	584.34
			13,794.36	**32,739.90**
	TOTAL ASSETS		**951,633.00**	**1,153,207.56**
B	**LIABILITIES AND EQUITY**			
	LIABILITIES			
3	**Financial liabilities**			
a.	Trade Payables			
	(i) total outstanding dues to micro and small enterprises	15	2.23	13.75
	(ii) total outstanding dues of creditors other than micro and small enterprises		174.08	275.64
b.	Debt securities	16	12,622.01	63,608.80
c.	Borrowings (Other than debt securities)	17	699,128.63	852,969.14
d.	Lease liability	17	387.54	841.78
e.	Other financial liabilities	18	12,675.40	22,831.52
			724,989.89	**940,540.63**
4	**Non-financial liabilities**			
a.	Provisions	19	246.80	454.63
b.	Other non-financial liabilities	20	9.02	261.87
			255.82	**716.50**
5	**EQUITY**			
a.	Equity share capital	21	64,228.33	64,228.33
b.	Other equity	22	162,158.96	147,722.10
			226,387.29	**211,950.43**
	TOTAL LIABILITIES and EQUITY		**951,633.00**	**1,153,207.56**

Summary of significant accounting policies 2
See accompanying notes forming part of the financial statements 3-64

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W
Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : Gurugram
Date : November 16, 2022

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Revenue**			
	a. Revenue from operations			
	(i) Interest income	23	92,468.91	110,524.54
	(ii) Fee and commission income	24	2,468.88	2,183.66
	(iii) Sale of power		350.00	348.98
	b. Other income	25	1,586.03	887.77
	Total revenue (a+b)		**96,873.82**	**113,944.95**
2	**Expenses**			
	a. Finance costs	26	57,976.86	75,150.23
	b. Fees and commission expense	27	170.47	148.02
	c. Net loss on fair value changes	28	349.93	358.55
	d. Impairment on financial instruments	29	16,785.54	23,184.24
	e. Employees benefit expenses	30	1,892.97	1,674.33
	f. Depreciation and amortisation expense	31	607.17	595.43
	g. Other expenses	32	1,699.66	3,492.39
	Total expenses (a+b+c+d+e+f+g)		**79,482.60**	**104,603.19**
3	**Profit before tax (1-2)**		**17,391.22**	**9,341.76**
4	**Tax expense**			
	a. Current tax	33	4.05	1,852.83
	b. Deferred tax charge/(benefits)	33	4,388.69	4,928.62
	Total tax expense		**4,392.74**	**6,781.45**
5	**Profit for the year (3-4)**		**12,998.48**	**2,560.31**
6	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement gain on defined benefit plans		55.05	15.82
	Income tax relating to remeasurement loss on defined benefit plans	11	(13.85)	(3.98)
	b. Equity instruments through other comprehensive income		1,220.76	(674.67)
	Income tax relating to FVTOCI to equity investments		(307.24)	-
	Deferred tax benefits/(charge) relating to FVTOCI to equity investments	11	(117.88)	117.88
			836.84	**(544.95)**
	Items that will be reclassified to profit or loss			
	a. Change in cash flow hedge reserve		129.10	(74.78)
	Income tax relating to cash flow hedge reserve		(32.49)	(37.30)
			96.61	**(112.08)**
	Other comprehensive income/(expense) for the year		**933.45**	**(657.03)**
7	**Total comprehensive profit for the year (5+6)**		**13,931.93**	**1,903.28**
	Earnings per equity share:			
	Basic and diluted	47	2.02	0.40

Summary of significant accounting policies 2
See accompanying notes forming part of the financial statements 3-64

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W
Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : Gurugram
Date : November 16, 2022

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited
Standalone Statement of Cash Flow as at March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit after tax	12,998.48	2,560.31
	Adjustments for:		
	Depreciation and amortisation expenses	607.17	595.43
	Impairment on financial instruments	16,785.54	23,184.24
	Provision on capital advances	-	1,038.85
	(Gain)/ Loss on sale of property, plant and equipment	(0.08)	0.61
	Finance costs	57,976.86	75,150.23
	Fees and commission expense	170.47	148.02
	Net (Gain)/ Loss on fair value changes	349.93	358.55
	Tax expense	4,392.74	6,781.45
	Operating profit before working capital changes	**93,281.11**	**109,817.69**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loan financing	173,372.97	17,632.21
	Other loans	5.69	(3.94)
	Other financial assets	(19.16)	42.50
	Other non- financial assets	492.92	65.69
	Trade receivables	266.24	(17.53)
	Adjustments for increase / (decrease) in operating liabilities:		
	Other financial liabilities	(7,859.04)	(694.51)
	Provisions	(152.78)	8.27
	Trade payables	(113.08)	(375.68)
	Other non- financial liabilities	(252.85)	(69.52)
	Cash flow from operating activities post working capital changes	**259,022.02**	**126,405.18**
	Income- tax paid	13,118.15	4,698.70
	Net cash flow from operating activities (A)	**272,140.17**	**131,103.88**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Capital expenditure on property, plant and equipment, including capital advances	(147.04)	(18.47)
	Proceeds from sale of property, plant and equipment	14.98	1.02
	Purchase of intangible assets	(4.76)	(16.76)
	Proceeds Investment in term deposits	(18,796.58)	(13,946.40)
	Purchase of investments	(1,476.04)	(4,546.62)
	Proceeds from sale/ redemption of investments	5,033.05	2,321.14
	Net cash used in investing activities (B)	**(15,376.39)**	**(16,206.09)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	571,852.62	161,869.72
	Repayment of borrowings	(725,438.37)	(192,280.37)
	Repayment of lease liability	(454.24)	(386.78)
	Proceeds from debt securities	-	29,474.58
	Repayment of debt securities	(51,017.13)	(7,217.82)
	Finance costs	(66,846.57)	(76,844.72)
	Dividend paid	-	(2,890.28)
	Net cash flow from financing activities (C)	**(271,903.69)**	**(88,275.67)**
	Increase in cash and cash equivalents (A+B+C)	(15,139.91)	26,622.12
	Cash and cash equivalents at the beginning of the year	48,940.12	22,318.00
	Cash and cash equivalents at the end of the year	**33,800.21**	**48,940.12**

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Summary of significant accounting policies	2
See accompanying notes forming part of the financial statements	3-64

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W
Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited
Standalone Statement of changes in equity for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

A	Equity Share Capital:	No. of Shares	Amount
	Equity Shares of Rs. 10 each, Issued, Subscribed and Fully Paid-up:		
	As at April 1, 2020	**642,283,335**	**64,228.33**
	Issued during the year	-	-
	As at March 31, 2021	**642,283,335**	**64,228.33**
	Issued during the year	-	-
	As at March 31, 2022	**642,283,335**	**64,228.33**

B Other Equity:

	Reserves and Surplus						Other comprehensive income		Total
	Securities Premium Reserve	Statutory Reserve	Special Reserve	Impairment Reserve	Foreign currency monetary items translation difference account	Retained Earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
As at April 1, 2020	61,280.57	**35,062.51**	**29,699.78**	**5,768.65**	**(2,268.98)**	**36,225.63**	**(18,140.97)**	**(373.46)**	**147,253.73**
Add: Profit for the year	-	-	-	-	-	2,560.31	-	-	**2,560.31**
Add / (Less): Other comprehensive income	-	-	-	-	-	11.84	(556.79)	(112.08)	**(657.03)**
Total Comprehensive Income	-	-	-	-	-	**2,572.15**	**(556.79)**	**(112.08)**	**1,903.28**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	512.06	4,750.00	-	-	(5,262.06)	-	-	-
Transfer from reserve for equity instruments through other comprehensive income	-	-	-	6,928.33	-	(6,928.33)	-	-	-
Transactions with owners in their capacity as owners:									
Dividends	-	-	-	-	-	(2,890.28)	-	-	**(2,890.28)**
Corporate dividend tax on dividend	-	-	-	-		-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	409.70	-	-	-	**409.70**
Amortisation for the year	-	-	-		1,045.67	-	-	-	**1,045.67**
As at March 31, 2021	**61,280.57**	**35,574.57**	**34,449.78**	**12,696.98**	**(813.61)**	**23,717.11**	**(18,697.76)**	**(485.54)**	**147,722.10**
As at April 1, 2021	61,280.57	**35,574.57**	**34,449.78**	**12,696.98**	**(813.61)**	**23,717.11**	**(18,697.76)**	**(485.54)**	**147,722.10**
Add: Profit for the year	-	-	-	-	-	12,998.48	-	-	**12,998.48**
Add / (Less): Other comprehensive income	-	-	-	-	-	41.20	795.64	96.61	**933.45**
Total Comprehensive Income	-	-	-	-	-	**13,039.68**	**795.64**	**96.61**	**13,931.93**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	2,599.70	-	-	-	(2,599.70)	-	-	-
Less: Transfer to Impairment Reserve	-	-	-	14,674.38	-	(14,674.38)	-	-	-
Transactions with owners in their capacity as owners:									-
Dividends	-	-	-	-	-	-	-	-	-
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	(120.41)	-	-	-	**(120.41)**
Amortisation for the year	-	-	-		625.34	-	-	-	**625.34**
As at March 31, 2022	**61,280.57**	**38,174.27**	**34,449.78**	**27,371.36**	**(308.68)**	**19,482.71**	**(17,902.12)**	**(388.93)**	**162,158.96**

Summary of significant accounting policies 2
See accompanying notes forming part of the financial statements 3-64

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W
Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

1. Company overview/Corporate information

PTC India Financial Services Limited ("the Company") is a registered Non-banking finance company (NBFC) with Reserve Bank of India (RBI) 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 road infrastructure projects and power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

The Company's registered office and principal place of business is situated at 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi - 110066. The shares of the Company are listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange.

The standalone and consolidated financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on November 15 2022.

1A. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statement.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written-down method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. Asset costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over their estimated useful life not exceeding five years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

c) **Revenue recognition**

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

Fee & Commission income

Income from business correspondent services is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

d) **Taxation**

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

e) **Employee benefits**

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

f) **Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Compensation for impairment

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in statement of profit and loss when the compensation becomes receivable.

g) **Impairment of financial assets**

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

The Company considers various factors while considering the recoverability of credit impaired advances. These include nature and value of assets, different resolution channels, interest of potential buyers etc. Considering the typical nature of advances given by the Company, there is significant uncertainty and variability in timing of resolution of these advances. In reference to RBI's prudential norms, the Company does not recognize interest income on these advances on a conservative basis, and the provisioning is considered using current estimate of realization.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

i) Equity investment in associates

Investments representing equity interest in associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

j) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

k) Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

For leases entered into as a lessee

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company does not have any leases as a lessor.

l) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. **Investments in Security Receipts** – Investments in security receipts are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial and subsequent measurement

The Company uses derivative financial instruments to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

m) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) **Segment reporting**

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

o) **Foreign currency**

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

p) **Government grants**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

q) **Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant management estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

r) **Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2022.

PTC India Financial Services Limited
Notes to the standalone financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

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Cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.18	0.11
Balances with banks:		
- in current accounts	33,800.03	17,226.36
- in deposit accounts with original maturity of less than three months	-	31,713.65
	33,800.21	**48,940.12**

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Bank balance other than (note 3) above	As at March 31, 2022	As at March 31, 2021
Balances with banks-		
- in earmarked accounts		
i. Unclaimed interest on debentures and bonds	8,660.49	2,065.93
ii. Unclaimed dividend	58.95	66.33
- in deposit accounts with original maturity of more than three months	53,184.22	34,387.64
	61,903.66	**36,519.90**

5 **Derivative financial instruments**

The Company enters into derivative transcations for risk management purposes. The Company has various derivative (i.e. cross currency interest rate swaps, call spread and cap spread options) contract which are entered into as an economic hedge for foreign currency and interest rate risks of the Company. The Company has designated cross currency swap contracts under cash flow hedge relationship and hedge accounting has been done. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

	As at March 31, 2022			As at March 31, 2021		
Particulars	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**
Currency derivatives						
- Currency and interest rate swaps	7,115.63	636.05	-	8,764.94	338.40	-
- Call spread option	5,930.02	372.42	0.02	13,577.96	789.27	0.02
- Cap spread option						
Total derivatives	**13,045.65**	**1,008.47**	**0.02**	**22,342.90**	**1,127.67**	**0.02**
Included in above are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
- Currency and interest rate swaps	7,115.63	636.05	-	8,764.94	338.40	-
Undesignated derivatives	5,930.02	372.42	0.02	12,347.79	789.27	0.02
Total derivative financial instruments	**13,045.65**	**1,008.47**	**0.02**	**21,112.73**	**1,127.67**	**0.02**

5.1 **Hedging activities and derivatives**

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. Currency and interest rate swap contract meets the hedge accounting criteria as per Ind AS109 and has been accounted as cash flow hedge. The Company has designated this contract in cash flow hedge relationship from January 1, 2019.

(a) Disclosure of effects of hedge accounting on financial performance
For the year ended March 31, 2022

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss) (A)	Hedge ineffectiveness recognised in statement of profit or loss (B)	Amount reclassified from cash flow hedging reserve to profit or loss (C)= (A)(+B)	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation
Foreign currency and interest rate risk				
(i) Currency and interest rate swap	56.79	72.31	129.10	

For the year ended March 31, 2021

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss) (A)	Hedge ineffectiveness recognised in statement of profit or loss (B)	Amount reclassified from cash flow hedging reserve to profit or loss (C)= (A)(+B)	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation
Foreign currency and interest rate risk				
(i) Currency and interest rate swap	(890.10)	815.32	(74.78)	

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For derivative contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. currency and interest rate swap contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. foreign currency loan. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of foreign currency loan. The fair value of actual and hypothetical derivatives are represented by mark to market valuation obtained by the Company from the respective authorised dealers.

(b) Movements in cash flow hedging reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	(485.54)	**(373.46)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	56.79	(890.10)
Less: Amount reclassified to profit or loss	72.31	815.32
Less: Deferred tax relating to above (net)	(32.49)	(37.30)
Closing balance	(388.93)	**(485.54)**

5.2 Derivatives not designated as hedging instruments

The Company uses currency and interest rate swaps and Call and Cap spread options to manage its interest rate risk and currency risk arising from USD denominated borrowings. The currency and interest rate call and cap spread options are not designated in a hedging relationship and valued based on the mark to market valuation received from the authorised dealers. The change in fair value of these contracts (mark to market) has been recognised in the Statement of Profit or Loss.

6 **Trade receivables**	**As at March 31, 2022**	**As at March 31, 2021**
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	110.62	376.86
Trade receivables which have significant increase in credit risk	-	-
Credit impaired	37.37	37.37
	147.99	**414.23**
Less: Allowance for impairment loss allowance	37.37	37.37
	110.62	**376.86**

(i) All amounts are short-term. The net carrying amount of trade receivables is considered a reasonable approximation of their fair value.
(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivable ageing is as follows :

Particulars	As at 31 March 2022 Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	17.73	-	54.98	11.92	11.21	0.44	14.34	110.62
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	8.04	19.81	9.52	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

Trade Receivable ageing is as follows :

Particulars	As at 31 March 2021 Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	11.73	-	344.39	14.19	0.26	6.29	-	376.86
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	19.81	11.71	5.85	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

7	Loans	As at March 31, 2022	As at March 31, 2021
	At amortised cost		
	(i) Term loans*		
	a) Loans Receivables considered good – Secured;	678,428.01	832,951.49
	b) Loans Receivables considered good – Unsecured;	-	-
	c) Loans Receivables which have significant increase in credit risk and	68,914.93	91,349.19
	d) Loans Receivables – credit impaired.	105,194.40	134,638.02
	(ii) Loans to employees		
	a) Loans Receivables considered good – Secured;	30.40	35.22
	b) Loans Receivables considered good – Unsecured;	2.33	3.20
	c) Loans Receivables which have significant increase in credit risk and	-	-
	d) Loans Receivables – credit impaired.	-	-
	Total - Gross	**852,570.07**	**1,058,977.12**
	Less: Impairment loss allowance	46,638.64	62,866.49
	Total - Net	**805,931.43**	**996,110.63**
	(i) Secured by tangible assets (property, plant and equipment including land and building)**	686,697.92	1,010,431.84
	(ii) Secured by book debts, inventories, fixed deposit and other working capital items	165,869.82	26,042.08
	(iii) Secured by intangible assets	-	-
	(iv) Covered by bank and government guarantee	-	22,500.00
	(v) Unsecured	2.33	3.20
	Total - Gross	**852,570.07**	**1,058,977.12**
	Less: Impairment loss allowance	46,638.64	62,866.49
	Total - Net	**805,931.43**	**996,110.63**
	Loans in India* **		
	(i) Public sector	251,664.23	245,268.23
	(ii) Others	600,905.84	813,708.89
	Total - Gross	**852,570.07**	**1,058,977.12**
	Less: Impairment loss allowance	46,638.64	62,866.49
	Total - Net	**805,931.43**	**996,110.63**

* Includes interest accrued.

** Based on the value of tangible assets/project assets provided as security.

*** The Company does not hold any loans outside India.

The net carrying amount of loans is considered a reasonable approximation of their fair value.

Refer note 44 A on credit risk

8	Investments	As at March 31, 2022					As at March 31, 2021				
		Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
	Investments in India										
	Investment in equity instruments										
	(a) Investment in associates										
	61,121,415 (March 31, 2021: 61,121,415;) equity shares of Rs. 10 held in R.S. India Wind Energy Private Limited	-	-	-	6,112.14	6,112.14	-	-	-	6,112.14	6,112.14
	4,390,000 (March 31, 2021:4,390,000) equity shares of Rs.10 held in Varam Bio Energy Private Limited	-	-	-	439.00	439.00	-	-	-	439.00	439.00
	(b) Investment in other companies (Refer Note (i) below)										
	133,385,343 (March 31, 2021: 133,385,343;) equity shares of Rs. 10 held in East Coast Energy Private Limited	-	-	-	-	-	-	-	-	-	-
	8,180,000 (March 31, 2021: 8,180,000;) equity shares of Rs. 10 held in Adhunik Power and Natural Resources Limited	-	-	-	-	-	-	-	-	-	-
	39,831,212 (March 31, 2021: 39,831,212;) equity shares of Rs. 10 held in Athena Chattisgarh Power Limited	-	-	-	-	-	-	-	-	-	-
	12,132,677 (March 31, 2021: 12,132,677;) equity shares of Rs. 10 held in Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	-	-
	(C) Investment in other companies (Quoted)										
	Nil (March 31, 2021: 21,904,762) equity shares held in Patel Engineering Limited (Face Value of Rs.1 acquired at Rs. 14.78 in the OTS settlement with M/s Dirang Energy Pvt. Ltd).	-	-	-	-	-	-	2,562.85	-	-	2,562.85
	Investment in optionally convertible debentures										
	(a) Investment in associates (unquoted)										
	90 (March 31, 2021: 90) optionally convertible debentures of Rs. 10 held in Varam Bio Energy Private Limited	-	-	-	428.58	428.58	-	-	-	428.58	428.58
	(b) Investment in others (unquoted)										
	200 (March 31, 2021: 200) optionally convertible debentures of Rs. 10,000,000 held in Ostro Energy Private Limited	-	-	23,300.05	-	23,300.05	-	-	21,824.01	-	21,824.01

8 Investments	As at March 31, 2022					As at March 31, 2021				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
Investment in security receipts (unquoted)										
307,470 (March 31, 2021: 307,470) security receipts of face value Rs.1000 each held in Edelweiss Assets Reconstruction Co Ltd (13,200 @ Rs 764.58 (previous year - Rs. 939.19) and 294,270 @ Rs 839.55 (previous year - Rs. 984.04)) held in Adhunik Power and Natural Resources Limited.	2,571.46	-	-	-	2,571.46	3,019.71	-	-	-	3,019.71
552,500 (March 31, 2021: 552,500 face value Rs 1000 each) security receipts of held in Phoenix ARC Pvt Ltd-Sispara Renewable Pvt Ltd (552,500 @ Rs. 357 (previous year - Rs. 399 each).	1,972.42	-	-	-	1,972.42	2,204.47	-	-	-	2,204.47
7,99,000 (March 31, 2021: 7,99,000;) security receipts of Rs. 1000 each held in Phoenix ARC Pvt Ltd-RKM Powergen Pvt Ltd. (7,99,000 @ Rs. 912 (previous year - Rs. 984) each)	7,286.88	-	-	-	7,286.88	7,862.16	-	-	-	7,862.16
Total Investments (A)	**11,830.76**	-	**23,300.05**	**6,979.72**	**42,110.53**	**13,086.34**	**2,562.85**	**21,824.01**	**6,979.72**	**44,452.92**
Less: Allowance for Impairment Loss (B)	-	-	128.19	6,979.72	7,107.91	-	-	143.19	6,979.72	7,122.91
Total Net C= (A)-(B)	**11,830.76**	-	**23,171.86**	-	**35,002.62**	**13,086.34**	**2,562.85**	**21,680.82**	-	**37,330.01**

Note:

(i) Fair value at initial recognition of investment in other companies accounted at fair value through other comprehensive income is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
East Coast Energy Private Limited	13,338.53	13,338.53
Adhunik Power and Natural Resources Limited	819.32	819.32
Athena Chattisgarh Power Limited	3,983.12	3,983.12
Prayagraj Power Generation Company Limited	-	-
Patel Engineering Limited *	-	3,237.52
	18,140.97	**21,378.49**

(ii) Investments acquired through invocation of pledge shares (collaterals) has not been considered as an investment.

* 21,904,762 nos. of equity shares of M/s Patel Engineering Limite have been sold during the year.

9 **Other financial assets**	As at March 31, 2022	As at March 31, 2021
Security deposits	68.53	62.49
Others	13.12	-
	81.65	**62.49**

10 **Current tax assets (net)**	As at March 31, 2022	As at March 31, 2021
Tax assets		
Advance income tax	83,341.72	96,578.10
Taxes paid under dispute*	2,659.21	2,540.97
Tax liabilities		
Provision for income tax	76,615.20	76,303.90
	9,385.73	**22,815.17**

*Includes amounts under dispute by company/other party. Refer Note 52

11	Deferred tax assets	As at March 31, 2022	As at March 31, 2021
	Tax effect of items constituting deferred tax liabilities		
	Difference between book balance and tax balance of property, plant and equipment and intangible assets	81.18	104.20
	Foreign currency monetary items translation difference account	8.73	117.43
	Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	8,670.32
	Financial liabilities measured at amortised cost	291.50	349.52
		9,051.73	**9,241.47**
	Tax effect of items constituting deferred tax assets		
	Provision for employees benefits	122.14	114.42
	Impairment on financial instruments	11,747.42	15,834.28
	Accrued interest deductible on payment	6.95	13.90
	Provision for diminution in value of unquoted non-current trade investments	129.71	251.08
	Financial assets measured at amortised cost	55.12	547.70
	Tax loss		-
	Cash flow hedge reserve	130.81	163.30
	Lease liability	19.02	29.14
		12,211.17	**16,953.82**
	Deferred tax (assets) /liabilities (net)	**(3,159.44)**	**(7,712.35)**

Deferred taxes arising from temporary differences for the year ended March 31, 2022 and March 31, 2021 are summarized as follows:

Deferred tax assets/(liabilities)	As at April 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	104.20	(23.02)	-	81.18
Foreign currency monetary items translation difference account	117.43	(108.70)	-	8.73
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	-	-	8,670.32
Financial liabilities measured at amortised cost	821.36	(529.86)	-	291.50
	9,713.31	**(661.58)**	-	**9,051.73**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	114.42	21.57	(13.85)	122.14
Impairment on financial instruments	15,834.28	(4,086.86)	-	11,747.42
Accrued interest deductible on payment	13.90	(6.95)	-	6.95
Losses/ diminution in value of investments	251.08	(3.49)	(117.88)	129.71
Financial assets measured at amortised cost	1,019.54	(964.42)	-	55.12
Tax loss	-	-	-	-
Cash flow hedge reserve	163.30	-	(32.49)	130.81
Lease liability	29.14	(10.12)	-	19.02
	17,425.66	**(5,050.27)**	**(164.22)**	**12,211.17**
Deferred tax (assets) /liabilities (net)	**(7,712.35)**	**4,388.69**	**164.22**	**(3,159.44)**

Deferred tax assets/(liabilities)	As at April 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	61.47	42.73	-	104.20
Foreign currency monetary items translation difference account	646.08	(528.65)	-	117.43
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	10,378.29	(1,707.97)	-	8,670.32
Financial liabilities measured at amortised cost	661.67	159.69	-	821.36
	11,747.51	**(2,034.20)**	-	**9,713.31**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	161.50	(43.10)	(3.98)	114.42
Impairment on financial instruments	17,106.62	(1,272.34)	-	15,834.28
Accrued interest deductible on payment	29.40	(15.50)	-	13.90
Losses/ diminution in value of investments	127.22	5.98	117.88	251.08
Financial assets measured at amortised cost	1,423.39	(403.85)	-	1,019.54
Tax loss	5,232.22	(5,232.22)	-	-
Cash flow hedge reserve	200.60	-	(37.30)	163.30
Lease liability	30.93	(1.79)	-	29.14
	24,311.88	**(6,962.82)**	**76.60**	**17,425.66**
Deferred tax (assets) /liabilities (net)	**(12,564.37)**	**4,928.62**	**(76.60)**	**(7,712.35)**

The Company had exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, has recognised current tax for the year ended March 31, 2022. Also, deferred tax assets/liabilities has been remeasured on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financials year by revising the annual effective income tax rate.

12 **Property, plant and equipment**

Particulars	Right of use- Buildings	Leasehold improvements	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Office equipment	Total
Gross carrying amount (at cost)										
As at April 1, 2020	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**179.77**	**66.29**	**209.99**	**6,125.29**
Additions	-	-	-	-	-	-	11.78	-	6.69	18.47
Disposals	-	-	-	-	-	-	11.24	-	3.47	14.71
As at March 31, 2021	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**180.31**	**66.29**	**213.21**	**6,129.05**
Additions	-	-	-	-	-	15.66	98.91	-	32.47	147.04
Disposals	-	-	-	-	-	0.60	33.11	-	5.72	39.43
As at March 31, 2022	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**115.11**	**246.11**	**66.29**	**239.96**	**6,236.66**
Accumulated depreciation										
As at April 1, 2020	**420.42**	**367.41**	-	**4.74**	**2,701.29**	**76.90**	**152.52**	**31.83**	**182.40**	**3,937.51**
Charge for the year	419.25	23.97	-	0.35	104.58	5.98	17.01	10.76	10.75	592.65
Disposals/Adjustments	-	-	-	-	-	-	10.68	-	2.40	13.08
As at March 31, 2021	**839.67**	**391.38**	-	**5.09**	**2,805.87**	**82.88**	**158.85**	**42.59**	**190.75**	**4,517.08**
Charge for the year	419.25	23.97		0.33	91.26	11.27	29.24	7.36	17.91	600.59
Disposals/Adjustments	-	-	-	-	-	0.29	21.58	-	2.66	24.53
As at March 31, 2022	**1,258.92**	**415.35**	-	**5.42**	**2,897.13**	**93.86**	**166.51**	**49.95**	**206.00**	**5,093.14**
Net carrying amount										
As at March 31, 2021	**735.09**	**64.86**	**3.50**	**6.85**	**716.88**	**17.17**	**21.46**	**23.70**	**22.46**	**1,611.97**
As at March 31, 2022	**315.84**	**40.89**	**3.50**	**6.52**	**625.62**	**21.25**	**79.60**	**16.34**	**33.96**	**1,143.52**

(i) Refer note 40 for information on property, plant and equipment pledged as security by the Company.

(ii) Lease of office building is recognised as right-of-use assets in accordance with Ind AS 116. Refer note 45

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Intangible asset	**Computer software**	**Total**
Gross carrying amount (at cost)		
As at April 1, 2020	**265.17**	**265.17**
Additions	16.76	16.76
Disposals	-	-
As at March 31, 2021	**281.93**	**281.93**
Additions	4.76	4.76
Disposals	-	-
As at March 31, 2022	**286.69**	**286.69**
Accumulated depreciation		
As at April 1, 2020	**263.08**	**263.08**
Charge for the year	2.78	2.78
Adjustments	-	-
As at March 31, 2021	**265.86**	**265.86**
Charge for the year	6.58	6.58
Adjustments	-	-
As at March 31, 2022	**272.44**	**272.44**
Net carrying amount		
As at March 31, 2021	**16.07**	**16.07**
As at March 31, 2022	**14.25**	**14.25**

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Other non-financial assets	As at 31 March 2020	As at 31 March 2019
Capital advances*	1,038.85	1,538.85
Prepaid expense	(1,038.85)	(1,038.85)
	-	500.00
Prepaid expense	50.45	68.36
Balances with government authorities	40.97	15.98
	91.42	**584.34**

*The Company and its Holding Company (PTC India Limited) had signed an agreement in March, 2017 for acquisition of land (share of 50% each) situated at Greater Noida Expressway, Noida, Uttar Pradesh to be used for construction of office building of PTC Group. Accordingly, the Company deposited its share of 50% of the transfer charges of Rs.1,025.79 lakhs with Yamuna Expressway Industrial Development Authority (YEIDA) for transfer of the land. Subsequently, YEIDA cancelled the approval for transfer and forfeited the transfer charges deposited, citing the reason as delay in registration, however, the delay was not attributable to the Company. The Company has filed an appeal before Principal Secretary, Urban Development, Government of UP as per directions of Allahabad High Court for retrieving the forfeited amount.

Presently, the matter is pending before Principal Secretary, Government of UP. As the Company had cancelled the land deal, as a matter of abundant caution, a provision against the amount deposited with YEIDA was created in the last year i.e. FY 2020-21, During the current year the company has received an amount of Rs 500 lakhs from ICICI bank which was given as an advance towards purchase of land.

15 **Trade Payables**

Trade Payables	As at March 31, 2022	As at March 31, 2021
i) Total outstanding dues of micro enterprises and small enterprises	2.23	13.75
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	174.08	275.64
Total	**176.31**	**289.39**

a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year/period.	2.23	13.75
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year/period.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year/period.	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

* No interest is payable on outstanding amount.

b) Trade Payable ageing is as follows

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		2.23	-	-	-	2.23
(ii) Others	129.29	22.36	0.01	3.75	18.67	174.08
(iii) Disputed Dues- MSME		-	-	-	-	-
(iv) Disputed Dues- Others		-	-	-	-	-

Particulars	As at 31 March 2021					
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		-	-	-	13.75	13.75
(ii) Others	186.63	48.74	5.12	6.16	28.99	275.64
(iii) Disputed Dues- MSME						-
(iv) Disputed Dues- Others						-

16	Debt securities	As at 31 March 2022	As at 31 March 2021
	At amortised cost		
	Unsecured		
	Commercial paper (i)	-	29,474.58
	Secured		
	Infrastructure bonds (ii)	922.50	10,919.55
	Debentures (iii) #	11,699.51	23,214.67
	Total	**12,622.01**	**63,608.80**
	Debt securities in India	2,422.50	43,392.93
	Debt securities outside India	10,199.51	20,215.87
		12,622.01	**63,608.80**

(i) Commercial paper

Commercial paper NIL (March 31, 2021 : Rs 29,474.58 Lakhs) are unsecured and privately placed and carries interest of 7.60% p.a. Repayable in a bullet payment at the end of 12 months from date of disbursement i.e. June 29, 2020.

(ii) Infrastructure bonds

18,450 (March 31, 2021: 218,391) privately placed 8.93%/9.15% secured redeemable non-convertible long-term infrastructure bonds of Rs 5,000 each (Infra Series 2) amounting to Rs 922.50 lakhs (March 31, 2021: Rs 10,919.55 lakhs) allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other unencumbered receivables of the Company to provide the 100% security coverage. During the year, the company has repaid Rs 9997.05 lakhs (March 31, 2021: Rs 154.10 lakhs) under maturity of Options I and II and buyback scheme exercised by eligible holders of infrastructure bonds of Options III and IV in FY2021-22 as per terms of Infra Series 2.

(iii) Debentures

1,500 (March 31, 2021: 1,500) privately placed 9.80% secured redeemable non-convertible debentures of Rs 200,000 each (March 31, 2021: 4,00,000 each) (Series 5) amounting to Rs 3,000.00 lakhs (March 31, 2021: Rs 6,000.00 lakhs) were allotted on June 16, 2015 redeemable at par in five equal annual instalments commencing from June 12, 2018

Series 5 debentures are secured by way of first ranking exclusive charge by way of hypothecation of the identified receivables of the Company comprising asset cover of at least 100% of the amount of the Debentures

900 (March 31, 2021: 900) privately placed 10.50% secured redeemable non-convertible debentures of Rs 166,667 each (March 31, 2021: Rs 333,333 each) (Series 3) amounting to Rs 1,500.00 lakhs (March 31, 2021: Rs 3,000.00 lakhs) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018.

Series 3 debentures are secured by way of mortgage of immovable building and exclusive first charge by way of hypothecation of the receivables of the loan assets created from the proceeds of respective debentures. Further, the same have also been secured by pari-passu charge by way of hypothecation of the receivables 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.

2,135 (March 31, 2021: 2,135) privately placed 9.62% secured redeemable non-convertible debentures of Rs 340,000 each (March 31, 2021 : Rs 670,000 each) (Series 4) amounting to Rs 7,259.00 lakhs (March 31, 2021 : Rs 14,304.50 lakhs) were allotted on June 03, 2015 redeemable at par in 3 tranches divided in 33% of face value on May 28, 2019, 33% of face value on May 28, 2021 and balance 34% of face value on May 28, 2025.

Series 4 debentures are secured by way of exclusive first charge by way of hypothecation of the specified receivables of the Company comprising asset cover of at least 110% of the amount of the Debentures

#Net of Ind AS adjustments in respect of transaction costs at Effective Interest Rate (EIR) amounting to Rs. 59.49 lakhs (March 31, 2021: Rs 89.83 lakhs)

17	Borrowings (other than debt securities)	As at March 31, 2022	As at March 31, 2021
	At amortised cost		
	Secured		
	Loans		
	- from banks (i)	685,017.55	800,685.09
	- from financial institutions (ii)	-	30,000.00
	-External commercial borrowings from financial institutions (iii)	14,111.08	22,284.05
	Lease liability	387.54	841.78
	Total	**699,516.17**	**853,810.92**

Borrowings in India	685,405.09	831,526.87
Borrowings outside India	14,111.08	22,284.05
Total	**699,516.17**	**853,810.92**

* The funds borrowed from banks and financial institutions have been utilised for the purpose it was taken.

(i) Term loan from bank

Term loans from banks carry interest ranging from 6.95% to 8.55% p.a. The loans carry various repayment schedules according to their respective sanctions and thus are repayable in 12 to 48 quarterly instalments. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation (other than assets created/ to be created in favour of specific lenders) so that lenders should have at least 100%/ 111% security coverage on its outstanding loan at all times during the currency of the loan.

(ii) Term loan from financial institution

Loan from financial institution NIL (March 31, 2021: Rs 30,000.00 Lakhs) carries interest of 6.75% p.a. The loan is repayable in a bullet payment at the end of 12 months from date of disbursement. The loan is secured by first pari-passu charge over entire receivables (excluding receivables specifically charged to other lenders)/ book debts of company covering 100% of the principal outstanding loan at any point of time.

(ii) External commercial borrowings

External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a. The loans are repayable in 32/36 equal quarterly instalments as per the due dates specified in the respective loan agreements. The borrowings are 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. During the year ended March 31, 2022, four quarterly repayments of ECB loans have been made amounting to USD 11,638,888 (Rs 8,504.05 lakhs).

As at March 31, 2022, the Company had undrawn sactioned borrowing facilities of Rs.1,63,500 lakhs (March 31, 2021 : Rs. 1,21,500 lakhs). Subsequent to the year end, undrawn sanctioned borrowings of Rs 58,500 lakhs were expired.

18	**Other financial liabilities**	**As at March 31, 2022**	**As at March 31, 2021**
	(Measured at amortised cost)		
	Interest accrued but not due on borrowings		
	- Term loan	321.44	285.44
	- Debentures	353.46	699.49
	- Infrastructure bonds	990.73	9,564.96
	Unclaimed dividend	58.95	66.33
	Unclaimed interest on debentures and bonds	8,660.49	2,065.93
	Unclaimed equity share application money	-	-
	Deferred processing/upfront fees	955.31	1,249.05
	Income received in advance	858.05	672.40
	Security deposit from borrowers	-	8,011.35
	Payable to employees	476.97	216.57
		12,675.40	**22,831.52**

19	**Provisions**	**As at March 31, 2022**	**As at March 31, 2021**
	Gratuity	8.20	217.21
	Compensated absences	213.01	168.27
	Other employees benefits	25.59	69.15
	Proposed equity dividend	-	-
	Tax on proposed equity dividend	-	-
		246.80	**454.63**

20	**Other non-financial liabilities**	**As at March 31, 2022**	**As at March 31, 2021**
	Statutory remittances	9.02	261.87
		9.02	**261.87**

21 **Equity share capital**

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Equity share capital		
1,250,000,000 (March 31, 2021: 1,250,000,000) equity shares of Rs.10 each	125,000.00	125,000.00
Authorised Preference share capital		
750,000,000 (March 31, 2021: 750,000,000) preference shares of Rs.10 each	75,000.00	75,000.00
Total	**200,000.00**	**200,000.00**
Issued, subscribed and paid up Equity share capital		
642,283,335 (March 31, 2021: 642,283,335) equity shares of Rs. 10 each fully paid up	64,228.33	64,228.33
	64,228.33	**64,228.33**

(i) **Terms /rights aattached to equity shares:**

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Equity Share Capital	
	Number of shares	Amount
As at April 1, 2020	**642,283,335**	**64,228.33**
Add: Equity shares issued during the year	-	-
As at March 31, 2021	**642,283,335**	**64,228.33**
Add: Equity shares issued during the year	-	-
As at March 31, 2022	**642,283,335**	**64,228.33**

(iii) **Shareholders holding more than 5% shares are set out below:**

	As at March 31, 2022		As at March 31, 2021	
Particulars	Number of shares	%	Number of shares	%
PTC India Limited#	417,450,001	64.99	417,450,001	64.99

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

(iv) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

(v) **Shareholding of promoters are as follows:**

	As at March 31, 2022			As at March 31, 2021		
Promoter Name	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
PTC India Limited	417,450,001	64.99	-	417,450,001	64.99	-

(vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

22 **Other equity**

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account	61,280.57	61,280.57
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	38,174.27	35,574.57
Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)	34,449.78	34,449.78
Impairment reserve	27,371.36	12,696.98
Equity instruments through other comprehensive income	(17,902.12)	(18,697.76)
Cash flow hedge reserve	(388.93)	(485.54)
Foreign currency monetary items translation difference account	(308.68)	(813.61)
Retained earnings	19,482.71	23,717.11
Total	**162,158.96**	**147,722.10**

(i) Securities premium account

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**61,280.57**	**61,280.57**
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	**61,280.57**	**61,280.57**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**35,574.57**	**35,062.51**
Add: Transferred from Retained earnings	2,599.70	512.06
Closing balance	**38,174.27**	**35,574.57**

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1961.The reserve is utilised in accordance with the provisions of the relevant statutes.

(iii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**34,449.78**	**29,699.78**
Add: Transferred from Retained Earnings	-	4,750.00
Closing balance	**34,449.78**	**34,449.78**

This reserve is maintained in accordance with the provisions of Section 36(1)(viii) of the Income tax Act, 1961. The reserve is utilised in accordance with the provisions of the relevant statutes.

(iv) Impairment Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**12,696.98**	**5,768.65**
Add: Transferred from Retained Earnings adjustment	14,674.38	6,928.33
Closing balance	**27,371.36**	**12,696.98**

This reserve is maintained in accordance with the RBI Circular on Implementation of Ind AS dated March 13, 2020.The reserve is utilised in accordance with the provisions of the relevant circular. Refer note 46

(v) Equity instruments through other comprehensive income

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(18,697.76)**	**(18,140.97)**
Add: Change in fair value of FVOCI equity investments	1,220.76	(674.67)
Add/less: Tax impact	(425.12)	117.88
Less: Transfer to retained earnings on disposal of investments	-	-
Closing balance	**(17,902.12)**	**(18,697.76)**

The Company has elected to recognise changes in fair value of equity investments in other comprehensive income. These changes are accumulated within the "Reserve for equity instruments through other comprehensive income". The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(vi) Cash flow hedge reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(485.54)**	**(373.46)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	56.79	(890.10)
Less: Amount reclassified to profit or loss	72.31	815.32
Less: Tax impact	(32.49)	(37.30)
Closing balance	**(388.93)**	**(485.54)**

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with its foreign currency borrowings. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to profit or loss when hedged item affects profit or loss.

(vii) Foreign currency monetary items translation difference account

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(813.61)**	**(2,268.98)**
Add/(less): Effect of foreign exchange rate variations during the year (net)	(120.41)	409.70
Add/less: Amortisation for the year through profit or loss	625.34	1,045.67
Closing balance	**(308.68)**	**(813.61)**

Foreign currency monetary items translation difference account comprises of the unamortised loss/gain on long term foreign currency monetary items (except derivative financial instruments), for which the Previous GAAP policy is carried forward.

(viii) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**23,717.11**	**36,225.63**
Add: Net profit for the year	12,998.48	2,560.31
Add: Remeasurement of post-employment benefit obligation, net of tax	41.20	11.84
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(2,599.70)	(512.06)
Less: Transferred to special reserve u/s 36(1)(viii) of the Income tax Act Act, 1961	-	(4,750.00)
Less: Trasfer to Impairment Reserve	(14,674.38)	(6,928.33)
Less: Dividend on equity shares [Rs. Nil per equity share (March 31, 2021: Rs. Nil per equity share]	-	(2,890.28)
Less: Tax on equity dividend	-	-
Closing balance	**19,482.71**	**23,717.11**

Distributions made and proposed

Particulars	As at March 31, 2022	As at March 31, 2021
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2021: Rs. Nil per share (March 31, 2020: Rs. 0.45 per share)	-	2,890.28
Dividend Distribution tax on final dividend	-	-
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Proposed dividend on Equity Shares:		
Final dividend for the year ended March 31, 2021: Rs. Nil per share (March 31, 2020: Rs. 0.45 per share)*	-	-
Dividend Distribution tax on proposed dividend	-	-

23	Interest income	For the year ended March 31, 2022	For the year ended March 31, 2021
	Interest income on loans	87,523.21	106,024.52
	Interest income on debentures	2,492.07	2,571.55
	Interest on fixed deposits	2,445.66	1,921.26
	Interest income on other financial assets	7.97	7.21
		92,468.91	**110,524.54**

24	Fee and commission Income	For the year ended March 31, 2022	For the year ended March 31, 2021
	Fee based income	2,468.88	2,183.66
		2,468.88	**2,183.66**

25	Other income	For the year ended March 31, 2022	For the year ended March 31, 2021
	Consultancy and other services	0.42	89.89
	Profit on sale of property, plant and equipment	0.08	-
	Interest on income tax refund	1,526.73	773.47
	Miscellaneous Income	58.80	24.41
		1,586.03	**887.77**

26	Finance costs (on financial liabilities measured at amortised cost)	For the year ended March 31, 2022	For the year ended March 31, 2021
	Interest expenses on:		
	Borrowings:		
	-On Loans from banks/ financial institutions	52,781.57	66,300.85
	-On External commercial borrowings	994.73	1,592.51
	-On lease liability	62.62	105.46
	Debt securities		
	-On Infra bonds	1,809.58	2,087.15
	-On Debentures	1,473.42	2,515.17
	-On Commercial paper	525.42	1,588.14
	Other interest expenses:		
	- Interest expense on security deposits	75.26	696.24
	Other Borrowing Costs:		
	- Loss/amortisation of foreign currency transaction/transalation	254.26	264.71
		57,976.86	**75,150.23**

27	Fees and commission expense	For the year ended March 31, 2022	For the year ended March 31, 2021
	Other charges on term loans and other borrowings	170.47	148.02
		170.47	**148.02**

28	Net loss on fair value changes	For the year ended March 31, 2022	For the year ended March 31, 2021
	Net loss on financial instruments at fair value through profit or loss		
	-Loss on MTM of derivatives	343.79	595.82
	Loss on modification of cash flow	6.14	(237.27)
		349.93	**358.55**

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Impairment on financial instruments	For the year ended March 31, 2022	For the year ended March 31, 2021
Impairment loss on financial instruments based on category of financial instrument:		
Loans*	16,800.54	23,121.22
Others	(15.00)	63.02
	16,785.54	**23,184.24**

* Refer note 45 (A.4)

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Employees benefit expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and other allowances	1,685.61	1,508.10
Contribution to provident fund	65.52	62.09
Staff welfare expense	141.84	104.14
	1,892.97	**1,674.33**

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Depreciation and amortisation expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on tangible assets and right-of-use (Refer note 12)	600.59	592.65
Amortisation on intangible assets (Refer note 13)	6.58	2.78
	607.17	**595.43**

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Other expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent	47.74	49.38
Repairs and maintenance		
- Plant and equipment	115.18	109.68
- others	82.93	94.21
Insurance	6.88	6.99
Rates and taxes	20.12	21.86
Communication	34.12	28.31
Travelling and conveyance	31.52	13.54
Advertising and business development	29.82	19.33
Donation	-	-
Corporate social responsibility expenses	21.00	252.30
Legal and professional	967.19	1,567.05
Auditor remuneration:		
- For statutory audit	9.00	8.18
- For quarterly audit/limited review	16.20	14.72
- For tax audit	1.80	1.64
- For other certification and reporting	8.20	2.73
- For out of pocket expenses	1.51	0.12
Loss on sale of property, plant and equipment	-	0.61

AGM expenses	5.64	7.73
Bank charges	7.36	5.78
Directors' sitting fees	81.10	73.24
Provision on capital advances	-	1,038.85
Miscellaneous expenses	212.35	176.14
	1,699.66	**3,492.39**

33 **Income tax expense**

(a) **Income tax expense recognised in Statement of profit and loss**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Current tax		
In respect of the current year	4.05	1,852.83
	4.05	1,852.83
Deferred tax charge/ (benefits)		
In respect of the current year	4,388.69	4,928.62
	4,388.69	4,928.62
Total tax expene in statement of profit and loss.	**4,392.74**	**6,781.45**

(b) **Income tax expense recognized in other comprehensive income**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Income tax relating to cash flow hedge reserve	(32.49)	(37.30)
Income tax relating to remeasurement gains/(losses) on defined benefit plans	(13.85)	(3.98)
Income tax relating to FVTOCI to equity investments	(307.24)	-
Deferred tax benefits/(charge) relating to FVTOCI to equity investments	(117.88)	117.88
	(471.46)	**76.60**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will be reclassified to profit or loss	(32.49)	(37.30)
Items that will not be reclassified to profit or loss	(438.97)	113.90
	(471.46)	**76.60**

(c) Reconciliation of the expected tax expense based on the domestic effective tax rate applicable in india and the reported tax expense in statement of profit and loss.

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax	17,391.22	9,341.76
Domestic tax rate as per income tax rate	25.168%	25.168%
Expected tax expense [A]	**4,377.02**	**2,351.13**
Adjustment on account of non-deductible expenses and special reserve	15.72	798.46
Reversal during tax holiday period	-	116.83
Adjustment for change in tax rate during the year	-	3,515.03
Others	-	-
Total effect of tax adjustment [B]	**15.72**	**4,430.32**
Actual tax expense [C=A+B]	**4,392.74**	**6,781.45**

34 Contingent liabilities and commitments

Particulars	As at March 31, 2022	As at March 31, 2021
a) In respect of following:		
- Income tax matters	3,691.29	3,671.78
b) Commitments		
- Loan financing	3,560.00	34,259.50

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on financial position of the Company. Amount above does not include the contingencies the likelihood of which is remote.

35 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at April 1, 2020	**41,298.10**	**886,193.76**	**927,491.86**
Cash flows:			
Proceeds from debt securities/borrowings	29,474.58	161,869.72	191,344.30
Repayment of debt securities/borrowings	(7,217.82)	(192,280.37)	(199,498.19)
Repayment of lease liability	-	(386.78)	(386.78)
Non-cash:			
Foreign currency fluctuation impact	-	(1,455.37)	(1,455.37)
Impact of borrowings measured at amortised cost	53.94	(130.04)	(76.10)
As at March 31, 2021	**63,608.80**	**853,810.92**	**917,419.72**
Cash flows:			
Proceeds from debt securities/borrowings	-	571,852.62	571,852.62
Repayment of debt securities/borrowings	(51,017.13)	(725,438.37)	(776,455.50)
Repayment of lease liability	-	(454.24)	(454.24)
Non-cash:			
Foreign currency fluctuation impact	-	(504.93)	(504.93)
Impact of borrowings measured at amortised cost	30.34	250.17	280.51
As at March 31, 2022	**12,622.01**	**699,516.17**	**712,138.18**

36 **Disclosures under Ind AS 19 (Employee benefits)**

The details of various employee benefits provided to employees are as under:

Defined contribution plans

Particulars	As at March 31, 2022	As at March 31, 2021
Provident fund	65.52	62.09

Defined benefit plans:

The Company has following defined benefit plans for its employees

- Gratuity: The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.
- Post-Retirement Medical Benefit: The Company operates post-employment medical benefits scheme. The liability is recognised on the basis of actuarial valuation.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk , longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by Mr. K.K. Dharni (FIAI M.No. 00051) , Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

Principal assumptions:	**Gratuity/Post Medical retirement benefit**	
	As at March 31, 2022	**As at March 31, 2021**
Discount rate	7.26%	6.79%
Future salary increase	9.00%	8.50%
Retirement age	60/62	60/62
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

(a) **The amounts recognised in Balance Sheet are as follows:**

Principal assumptions:	**Gratuity**	
	As at March 31, 2022	**As at March 31, 2021**
A) Present Value of Defined Benefit Obligation		
- Wholly funded	246.66	-
- Wholly unfunded	-	217.21
	246.66	**217.21**
Less: Fair value of plan assets	(238.46)	-
Amount to be recognised as liability or (asset)	**8.20**	**217.21**
B) Amounts reflected in Balance Sheet		
Liabilities	8.20	217.21
Assets	-	-
Net liability	**8.20**	**217.21**

(b) **Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-**

Particulars	**Gratuity**		**Post Medical retirement benefit**	
	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Service cost				
Current service cost	27.13	28.05	2.02	7.02
Past service cost and (gain)/Loss from settlements	-	-	-	-
Net interest expense	7.09	12.91	4.70	4.00
Component of defined benefit cost recognised in profit or loss	**34.22**	**40.96**	**6.72**	**11.02**
Amount recognised in Other comprehensive Income				
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	7.05	(7.02)	(11.67)	2.17
Actuarial (gains)/ losses arising from experience adjustments	(11.82)	(7.77)	(38.61)	(3.20)
Component of defined benefit cost recognised in Other comprehensive Income	**(4.77)**	**(14.79)**	**(50.28)**	**(1.03)**

The Current Service Cost and the net interest expense for the year are included in the Employee benefits expenses line items in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(c) **Movements in the present value of the defined benefit obligation are as follows :-**

Particulars	**Gratuity**		**Post Medical retirement benefit**	
	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Present value of obligation as at the beginning	217.21	191.04	69.15	59.16
Current service cost	27.13	28.05	2.02	7.02
Interest cost	7.09	12.91	4.70	4.00
Past service cost including curtailment gains/ losses	-	-	-	-
Benefits paid	-	-	-	-
Net actuarial (gain) / loss recognised	(4.77)	(14.79)	(50.28)	(1.03)
Present value of obligation as at the end	246.66	217.21	25.59	69.15

(d) **The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of defined benefit plans to the amounts presented in the balance sheet is presented below:**

	Gratuity	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Present Value of unfunded defined benefit obligation	246.66	217.21
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	246.66	217.21
	Post Medical retirement benefit	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Present Value of unfunded defined benefit obligation	25.59	69.15
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	25.59	69.15

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

S. No	Particular	Gratuity			
		Effect of 0.5% basis increase		Effect of 0.5% basis decreas	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1	Impact of change in discount rate	(16.23)	(24.65)	14.89	27.25
2	Impact of change salary escalation rate	14.84	13.80	(13.71)	(12.72)

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Average duration of the defined benefit obligation (in years)		
Less than 1 year	34.23	3.42
Between 1-2 years	21.47	8.95
Between 2-5 years	24.08	50.27
Over 5 years	192.47	223.73
Total	**272.25**	**286.37**

37 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	33,800.21	-	33,800.21	48,940.12	-	48,940.12
Bank balance other than (a) above	60,630.30	1,273.36	61,903.66	36,519.90	-	36,519.90
Derivative financial instruments	372.42	636.03	1,008.45	-	1,127.65	1,127.65
Trade receivables	110.62	-	110.62	376.86	-	376.86
Loans	209,671.28	596,260.15	805,931.43	252,696.40	743,414.23	996,110.63
Investments	23,171.86	11,830.76	35,002.62	-	37,330.01	37,330.01
Other financial assets	81.65	-	81.65	-	62.49	62.49
Non-financial assets						
Current tax assets (net)	-	9,385.73	9,385.73	-	22,815.17	22,815.17
Deferred tax assets (net)	-	3,159.44	3,159.44	-	7,712.35	7,712.35
Property, Plant and Equipment	-	827.68	827.68	-	876.88	876.88
Right of use-Buildings	315.84	-	315.84	-	735.09	735.09
Other Intangible asset	-	14.25	14.25	-	16.07	16.07
Other non-financial assets	91.42	-	91.42	84.34	500.00	584.34
Total Assets	**328,245.60**	**623,387.40**	**951,633.00**	**338,617.62**	**814,589.94**	**1,153,207.56**

LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Payables						
Trade Payables						
(i) total outstanding dues to micro and small enterprises	2.23	-	2.23	13.75	-	13.75
(ii) total outstanding dues of creditors other than micro and small enterprises	174.08	-	174.08	492.21	-	492.21
Debt securities	5,422.50	7,199.51	12,622.01	51,940.13	11,668.67	63,608.80
Borrowings (Other than debt securities)	205,030.05	494,098.58	699,128.63	210,384.88	642,584.26	852,969.14
Lease liability	387.54	-	387.54	454.24	387.54	841.78
Other financial liabilities	11,720.09	955.31	12,675.40	19,895.90	2,719.05	22,614.95
Non-financial liabilities						
Provisions	14.32	232.48	246.80	15.19	439.44	454.63
Other non-financial liabilities	9.02	-	9.02	261.87	-	261.87
Total Liabilities	**222,759.83**	**502,485.88**	**725,245.71**	**283,458.17**	**657,798.96**	**941,257.13**
Net equity	**105,485.77**	**120,901.52**	**226,387.29**	**55,159.45**	**156,790.98**	**211,950.43**

38 Segment reporting

The Company's main business is to provide project financing for entire 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 IND AS 108 on "Segment Reporting".

39 Related party disclosures under Ind AS 24

Related party disclosures

Name of related parties and their relationship:

Name of related party	Nature of Relationship
PTC India Limited	Holding company
PTC Energy Limited	Fellow subsidiary company
R.S. India Wind Energy Private Limited	Associate company
Varam Bio Energy Private Limited	Associate company
PTC Foundation	Trust to Holding company
Key management personnel:	
Shri Deepak Amitabh	Chairman and Non Executive Director (ceased w.e.f. 06th November, 2021)
Dr. Rajib Kumar Mishra	Chairman and Non Executive Director (w.e.f. 08th November, 2021)
Dr. Pawan Singh	Managing Director and CEO
Shri Naveen Kumar	Whole Time Director (ceased w.e.f. 09th July, 2021 due to his superannuation)
Mrs. Pravin Tripathi	Independent Director (ceased w.e.f. 14th October, 2021)
Shri Kamlesh Shivji Vikamsey	Independent Director (ceased w.e.f. 19th January 2022)
Shri Santosh Balachandran Nayar	Independent Director (ceased w.e.f. 19th January 2022)
Shri Rakesh Kacker	Independent Director (ceased w.e.f.31st December, 2021)
Shri Thomas Mathew T.	Independent Director (ceased w.e.f. 19th January 2022)
Dr. Ajit Kumar	Nominee Director (ceased w.e.f. 08th April, 2021)
Shri Rajiv Malhotra	Nominee Director (ceased w.e.f. 06th November, 2021)
Ms. Renu Narang	Nominee Director (w.e.f. 21st June, 2021 and ceased w.e.f 10th December, 2021)
Shri Pankaj Goel	Nominee Director (w.e.f. 08th November, 2021)
Ms. Sushama Nath	Independent Director (w.e.f. 29th March 2022)
Shri Devendra Swaroop Saksena	Independent Director (w.e.f. 29th March 2022)
Shri Ramesh Narain Misra	Independent Director (w.e.f. 29th March 2022)
Shri Jayant Purushottam Gokhale	Independent Director (w.e.f. 29th March 2022)
Shri. Sanjay Rustagi	Chief Financial Officer
Shri. Vishal Goyal	Company Secretary

Transactions with the key management personnel during the year:

Particulars		As at March 31, 2022	As at March 31, 2021
Dr. Pawan Singh	**Remuneration**		
	Short-term benefits	91.72	113.08
	Post-employment benefits	3.42	3.01
	Other long-term benefits	3.65	-
		98.79	**116.09**
Shri Naveen Kumar	**Remuneration**		
	Short-term benefits	21.82	90.17
	Post-employment benefits	-	1.28
	Other long-term benefits	8.32	2.17
		30.14	**93.62**
Shri Sanjay Rustagi	**Remuneration**		
	Short-term benefits	44.02	54.65
	Post-employment benefits	1.33	1.40
	Other long-term benefits	2.22	0.82
		47.57	**56.87**
Shri Vishal Goyal	**Remuneration**		
	Short-term benefits	44.98	54.60
	Post-employment benefits	2.23	0.65
	Other long-term benefits	2.86	1.36
		50.07	**56.61**
Non-Executive Directors*	Sitting fees	56.40	67.20
	Reimbursement of expenses	0.40	-
		56.80	**67.20**

* Includes Rs 17.60 lakhs (March 31, 2021 Rs 22.00 lakhs) which has been paid to the holding company as sitting fees of the directors

Transactions with the related parties

Particulars	As at March 31, 2022	As at March 31, 2021
PTC India Limited		
Expenses reimbursed	19.07	20.35
Director sitting fees	17.60	22.00
Dividend paid	-	1,878.53
PTC Energy Limited		
Interest income	852.92	1,579.34
PTC Foundation		
Amount paid for CSR spend	-	220.99

Loans to fellow subsidiary company

PTC Energy Limited

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Beginning of the year	12,624.93	13,122.62
Loan Disbursed	-	2,500.00
Loan repayments received	(7,759.78)	(3,405.43)
Interest charged	852.92	1,579.34
Interest received	(852.92)	(1,171.60)
End of the year	**4,865.15**	**12,624.93**

Balance outstanding at the year end

Name of related party	**Nature**	**As at March 31, 2022**	**As at March 31, 2021**
PTC India Limited	Receivables- other	13.12	-
PTC Energy Limited	Receivables- loan given	4,865.15	12,624.93

40 **Details of assets pledged/ hypothecated as security:**

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Non-current assets		
Trade receivables	110.62	376.86
Loans	805,929.10	996,107.43
Property, Plant and Equipment - Building	6.52	6.85

Refer Note 6, 7 and 12

41. Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

41.1 Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios

- to ensure the ability to continue as a going concern

- to provide an adequate return to shareholders

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt. The Company has a target gearing ratio of 3.00 to 4.50 determined as a proportion of net debt to total equity.

41.2 Regulatory capital

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The BoDs regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR). Further, the Company also ensures compliance of guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital Adequacy Ratio (CAR) and other key financial parameters of the Company are as under:

Capital Adequacy ratio - Tier I	26.10%
Capital Adequacy ratio - Tier II	0.61%
	26.71%

42. Categories of financial instruments

The Carrying value of financial assets and liabilities are as follows :-

As at March 31, 2022				
Particulars	**Fair value through P&L**	**Fair value through OCI**	**Amortised cost**	**Total**
Financial Assets				
Investments	11,830.76	-	23,171.86	35,002.62
Loans	-	-	805,931.43	805,931.43
Derivative assets	372.42	636.03	-	1,008.45
Trade Receivables	-	-	110.62	110.62
Cash and cash equivalents	-	-	33,800.21	33,800.21
Bank balances other than above	-	-	61,903.66	61,903.66
Other financial assets	-	-	81.65	81.65
Total financial assets	**12,203.18**	**636.03**	**924,999.43**	**937,838.64**
Financial liabilities				
Debt Securities	-	-	12,622.01	12,622.01
Borrowings (Other than debt securities)	-	-	699,128.63	699,128.63
Lease liability	-	-	387.54	387.54
Derivative liabilities	-	-	-	-
Trade payables	-	-	176.31	176.31
Other financial liabilities	-	-	12,675.40	12,675.40
Total financial liabilities	-	-	**724,989.89**	**724,989.89**
As at March 31, 2021				
Particulars	**Fair value through P&L**	**Fair value through OCI**	**Amortised cost**	**Total**
Financial Assets				
Investments	13,086.34	2,562.85	21,680.82	37,330.01
Loans	-	-	996,110.63	996,110.63
Derivative assets	789.25	338.40	-	1,127.65
Trade Receivables	-	-	376.86	376.86
Cash and cash equivalents	-	-	48,940.12	48,940.12
Bank balances other than above	-	-	36,519.90	36,519.90
Other financial assets	-	-	62.49	62.49
Total financial assets	**13,875.59**	**2,901.25**	**1,103,690.82**	**1,120,467.66**
Financial liabilities				
Debt Securities	-	-	63,608.80	63,608.80
Borrowings (Other than debt securities)	-	-	853,810.92	853,810.92
Derivative liabilities	-	-	-	-
Trade payables	-	-	505.96	505.96
Other financial liabilities	-	-	22,614.95	22,614.95
Total financial liabilities	-	-	**940,540.63**	**940,540.63**

43. **Fair value measurement of financial assets and liabilities**

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at March 31, 2022:

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	-	-	-	-
Derivative financial instruments				
- Derivative instruments (net)	-	372.42	-	372.42
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	11,830.76	11,830.76
Derivative financial instruments				
- Derivative instruments (net)	-	636.03	-	636.03
As at March 31, 2021				
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	2,562.85	-	-	2,562.85
Derivative financial instruments				
- Derivative instruments (net)	-	789.25	-	789.25
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	13,086.34	13,086.34
Derivative financial instruments				
- Derivative instruments (net)	-	338.40	-	338.40

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2022 and March 31, 2021 :	
Particulars	**Investments in security receipts**
As at March 31, 2020	15,170.21
Acquisitions	-
Gains/(losses) recognized in profit or loss	237.27
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(2,321.14)
As at March 31, 2021	**13,086.34**
Acquisitions	-
Gains/(losses) recognized in profit or loss	(6.14)
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(1,249.44)
As at March 31, 2022	**11,830.76**

There are no financial liabilities measured at fair value on recurring basis. There were no transfers between the 3 levels in the reporting periods.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the standalone financial statements approximate their fair values.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Commercial paper	-	-	29,474.58	29,474.58
Infrastructure Bonds	922.50	922.50	10,919.55	10,919.55
Debentures	11,699.51	11,714.36	23,214.67	23,512.33
	Fair value hierarchy As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Commercial paper	-	-	-	-
Infrastructure Bonds	-	-	922.50	922.50
Debentures	-	-	11,714.36	11,714.36
	Fair value hierarchy As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Commercial paper	-	-	29,474.58	29,474.58
Infrastructure Bonds	-	-	10,919.55	10,919.55
Debentures	-	-	23,512.33	23,512.33

The fair value of the financial assets and liabilities are disclosed at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:-

-Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments are as described below:

a) Security receipts are valued with reference to sale price observable in the market on the basis of external rating provided by credit rating agencies.

b) The Company's foreign currency and interest rate derivative contracts are not traded in active markets. Fair valuation of such instruments are provided by the dealer which are recognised banks and use widely acceptable techniques. The effects of non-observable inputs are not significant for foreign currency forward contracts.

The Company performs valuations in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument with the overall objective of maximising the use of market-based information.

-Trade receivables, Cash and Cash equivalents, other bank balances, other current financial Assets, current borrowings, trade payables and other current financial liabilities: approximate their carrying amounts largely due to the short-Term maturities of these instruments.

-Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

44 Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, Cash and bank balances, trade receivables, derivative financial instruments, other financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/ asset base, credit limits and collateral.

Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Derivative contracts/hedging
Market risk - interest rate	Non-current borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security price	Investments in equity securities	Sensitivity analysis	Portfolio diversification, exposure limits

The Board has the overall responsibility of risk management which take care of manageing 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 including Asset Liability Management.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management processes to provide early identification of possible deterioration in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Credit risk arises from loans financing, cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	As at March 31,2022	As at March 31,2021
Loans	805,931.43	996,110.63
Investments in Debentures	23,171.86	21,680.82
Trade receivables	110.62	376.86
Cash and cash equivalents	33,800.21	48,940.12
Other bank balances	61,903.66	36,519.90
Other financials asset	81.65	62.49

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system and external ratings.

From credit risk perspective, the Company's lending portfolio can be segregated into following broad categories:

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Trade receivables, Cash and cash equivalents, other bank balances, loans, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2022	As at March 31, 2021
Low credit risk		
Trade receivables	147.99	414.23
Cash and cash equivalents	33,800.21	48,940.12
Bank balances other than above	61,903.66	36,519.90
Loans	678,460.74	832,989.91
Investment in Debentures	23,300.05	21,824.01
Other financial assets	81.65	62.49

Moderate credit risk		
Loans	68,914.93	91,349.19
High credit risk		
Loans	105,194.40	134,638.02
Investments in Debentures	428.58	428.58

* These represent gross carrying values of financial assets without deduction of expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering collateral's from borrower's. The Company closely monitors the credit-worthiness of the borrowers through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for loan receivables amounts that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost include security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Credit risk exposure

b) i) Expected credit loss for loans

A.1 Credit risk measurement

The Company measures credit risk of its exposure using:

(a) Internal Rating: Internal ratings are based on board approved policy that guides credit analysis to place borrowers in watch list based on specific risk factors such as project progress schedule, promoter's contribution, PPA status etc.

(b) External rating: PFS also captures external rating of its borrowers done by RBI approved credit rating agencies like ICRA, CARE, CRISIL and India rating etc.

These two together helps the Company in better monitoring of its borrowers. The stageing criteria for ECL computation is also driven by these two criteria. Stageing of an account gets impacted by taking into consideration both internal rating and external rating.

A.2 Expected credit loss measurement

A.2.1 Significant increase in credit risk and credit impaired financial assets

The Company considers a financial instrument to have experienced a significant increase based on the stageing criteria, which is aligned with ECL policy of the Company.

As per ECL policy, stage 2 contains all loan assets that are not defaulted as at reporting date, but have experienced a significant increase in credit risk since initial recognition (i.e. two notch downgrade in internal/ external risk rating or loan account with overdue of more than 30 days) or classified as high risk as per internal risk assessment.

A.2.2 Definition of default

The Company defines a financial instrument as in default, if any borrower whose contractual payments are due for more than 90 days, which is in line with RBI guidelines.

A.2.3 Explanation of inputs, assumptions and estimation techniques

Probability of default (PD) computation model

Probability of Default is the likelihood that the borrower will not be able to meets its obligations as and when it falls due.

Transition Matrix Approach is used for estimation of PD. ICRA's one-year transition matrix is used as the base probability of default matrix.

Stage 1: 12-month PDs are taken directly from one-year transition matrix and so, Point in Time (PIT) conversion is not done, as it is already giving PIT PDs.

Stage 2: PD for second year onwards is estimated using Matrix Multiplication Approach.

Stage 3: As the accounts classified into stage 3 are non-performing assets so probability of default is assumed to be 100%.

Loss given default (LGD) computation model

Loss Given Default is the percentage of total exposure which the borrower would not be able to recover in case of default.

Workout LGD approach has been used for LGD estimation.

LGD= (Economic loss + Cost of Recovery)/EAD

As at March 31, 2022, the Company has classified its few loans (financial assets) under stage III criteria, as enumerated in Ind AS 109, and the projects/ assets, underlying such loans are either pending for resolution under Insolvency and Bankruptcy Code (IBC) or under litigation. For measuring expected credit loss (ECL) allowance for loans wherein underlying projects/ assets have been under IBC proceedings, wherever available, the fair value attributable to the secured portion of such loans has been measured based on external evidence i.e. valuation of such projects/ assets as shared by the Resolution Professional (RP), appointed by NCLT under resolution proceedings, with the consortium of creditors, including the Company. The actual outcome in these cases is dependent upon the final settlement by the RP in accordance with IBC framework. For other loans under stage III, the fair value attributable to the secured portion of such loans has been measured based on other evidences, including one time settlement offer from the customer, valuation exercise done either by the consortium of lenders or by the Company, settlement proposals under discussions between the borrowers and the consortium of lenders/ Company.

For loans under stage I and stage II, the management has determined the value of secured portion, on the basis of best information available with the Company, including value of assets/ projects in the available balance sheets of the borrowers, technical and cost certificates provided by the experts and valuation exercise performed by external professionals either appointed by the Company or consortium of lenders, including the Company.

The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects/ assets of borrowers under IBC.

Basis of calculating loss rates

First step involved in ECL computation is stageing of the assets into three categories. Stageing of the financial assets depend on the deterioration of the credit quality of the assets over its lifetime. Performing assets fall under Stage I, underperforming assets fall under Stage II and impaired assets (non-performing) fall under Stage III.

The following points are considered for stage wise classification of credit exposures:

1. Stage III exposures are exposures where actual default events have occurred i.e. all credit exposures classified as Doubtful or Sub-Standard, or where significant deterioration in credit quality is envisaged.
2. Stage II exposure are exposures which are not considered impaired asset but were classified as 'Stressed Accounts' or are flagged as High-Risk Category.
3. All other accounts not meeting the first two criteria are classified as Stage 1 accounts.

Quantitative and qualitative factors considered along with quantification w.r.t loss rates

Impact of specific risk factors are taken into account while stageing of accounts and computation of PD. External credit rating is also used for stageing criteria. The industry of the borrower is also considered for classification of the borrower. If a borrower belonged to an industry under stress, then the borrower is classified as stage 2 or 3 account.

For computation of loss given default, haircuts on collateral, based on subjective parameters are used.

- Sector/Sub-sector

- Source of Power Generation

- PPA Status

- COD Status

A.2.4 Forward looking information incorporated in ECL models

The PDs are derived using the relationship of historic default rates of the portfolio and respective macroeconomic variable (GDP growth rate). Worst, Mild and Best scenarios are created for all the macroeconomic variable and default rates are estimated for all the four scenarios. The scenarios are arrived at by creating bins based on mean, minimum, maximum and standard deviation of the macro variable for the observed range of data. The differential default rates between the base scenario and the best, Worst and Mild scenarios are created/built to compute the shock factors. These shock factors were then added to the base PD term structure, which is arrived using the matrix multiplication technique, thereby creating four different PD term structures for the four Scenarios. These shocked PDs are used to compute lifetime ECL for stage 1 and stage 2 accounts.

A.3 **Credit risk exposure and impairment loss allowance**

	As at March 31, 2022		As at March 31, 2021	
	Exposure	**Impairment allowance**	**Exposure**	**Impairment allowance**
Credit impaired loan assets (Default event triggered) (Stage III)	105,194.40	37,360.85	134,638.02	57,310.15
Loan assets having significant increase in credit risk (Stage II)	68,914.93	4,726.50	91,349.19	2,316.60
Other loan assets (Stage I)*	678,460.74	4,551.29	832,989.91	3,239.74
Total	**852,570.07**	**46,638.64**	**1,058,977.12**	**62,866.49**

*Includes loans amounting to Rs 32.73 lakhs (Previous year Rs. 38.42 lakhs) given to employees.

A.3.1 **Collateral and other credit enhancements**

Loans are secured by :

i. Hypothecation of assets and/or

ii. Mortgage of property and /or

iii. Trust and retention account and /or

iv. Bank guarantee, Company guarantee or personal guarantee and / or

v. Assignment of receivables or rights and / or

vi. Pledge of shares and / or

vii. Undertaking to create a security

A.4 **Loss allowance**

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between stage 1 and Stage 2 or stage 3 due to financial instruments experiencing significant increase (or decrease) of credit risk or becoming credit-impaired in the period and the consequent "step up" (or "step down") between 12-month and Lifetime ECL.
- Additional allowances for new financial instruments recognised during the period as well as releases for financial instruments de-recognised in the period.
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period arising from regular refreshing of inputs to models.
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

	Stage 1	**Stage 2**	**Stage 3**	
Loss allowance	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised cost				
Balance as at April 1, 2020	**4,690.53**	**2,378.90**	**40,822.57**	**47,892.00**
Transfer to/ from 12 months ECL	0.60	(0.60)	-	-
Transfer to/ from life time ECL not credit impaired	(394.51)	394.51	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(5,449.56)	5,449.56	-
Net remeasurement of loss allowance	(1,056.88)	4,993.35	19,184.75	23,121.22
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**
Loans and advances to customers at amortised cost				
Balance as at April 1, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**
Transfer to/ from 12 months ECL	581.97	(581.97)	-	-
Transfer to/ from life time ECL not credit impaired	(1,522.38)	1,522.38	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(3.14)	3.14	-
Net remeasurement of loss allowance	2,251.96	1,472.63	13,075.95	16,800.54
Write offs	-	-	(33,028.39)	(33,028.39)
Balance as at March 31, 2022	**4,551.29**	**4,726.50**	**37,360.85**	**46,638.64**

The following table further explains changes in the gross carrying amount of the loan portfolio to help in explaing their significance to the changes in the loss allowance for the same portfolio as discussed above:

	Stage 1	Stage 2	Stage 3	
Gross Exposure	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2020	**884,839.28**	**104,553.33**	**95,325.03**	**1,084,717.64**
Transfer to/ from 12 months ECL	1,926.09	(1,926.09)	-	-
Transfer to/ from life time ECL not credit impaired	(31,900.55)	31,900.55	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(51,122.18)	51,122.18	-
New Financial assets originated or purchased	152,248.21	10,266.92	-	162,515.13
Financial Assets that have been recognised/ (derecognised)	(174,161.54)	(2,323.34)	(3,662.46)	(180,147.34)
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**832,951.49**	**91,349.19**	**134,638.02**	**1,058,938.70**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2021	**832,951.49**	**91,349.19**	**134,638.02**	**1,058,938.70**
Transfer to/ from 12 months ECL	5,819.72	(5,819.72)	-	-
Transfer to/ from life time ECL not credit impaired	(15,222.23)	15,222.23	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(314.00)	314.00	-
New Financial assets originated or purchased	388,781.89	1.40		388,783.29
Financial Assets that have been recognised/ (derecognised)	(533,902.86)	(31,524.17)	3,270.77	(562,156.26)
Write offs	-	-	(33,028.39)	(33,028.39)
Balance as at March 31, 2022	**678,428.01**	**68,914.93**	**105,194.40**	**852,537.34**

A.5 Concentration of credit risk

The Company monitors concentration of credit risk by type of industry in which the borrower operates, further bifurcated into type of borrower, whether state or private.

Industry	**As at March 31, 2022**	**As at March 31, 2021**
Gross carrying amount of loans		
Concentration by industry		
Thermal	79,284.36	120,654.28
Renewable energy	233,311.83	455,472.51
Hydro	15,459.97	16,459.75
Distribution	180,667.46	169,121.46
Others*	343,846.45	297,269.12
	852,570.07	**1,058,977.12**

*Includes loans amounting to Rs 32.73 lakhs (March 31, 2021 Rs. 38.42 lakhs) given to employees

A.6 Write off policy

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to other income in statement of profit and loss.

i) Expected credit losses for financial assets other than loans

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2022	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	33,800.21	0%	-	33,800.21
Other bank balance	61,903.66	0%	-	61,903.66
Investments	23,300.05	1%	128.19	23,171.86
Trade receivables	147.99	25%	37.37	110.62
Other financial assets	81.65	0%	-	81.65

As at March 31, 2021	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	48,940.12	0%	-	48,940.12
Other bank balance	36,519.90	0%	-	36,519.90
Investments	21,824.01	1%	143.19	21,680.82
Trade receivables	414.23	9%	37.37	376.86
Other financial assets	62.49	0%	-	62.49

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows (including interest income and interest expense). The Asset Liability Management Policy aims 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.

The tables below analyse the financial assets and liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Maturities of financial assets

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	110.62	-	-	-	110.62
Cash and Cash Equivalents	33,800.21	-	-	-	33,800.21
Bank balance other than (a) above	60,630.30	1,273.36	-	-	61,903.66
Derivative assets	372.42	-	636.05	-	1,008.47
Loans	265,535.28	239,930.00	181,894.75	441,453.60	1,128,813.63
Other financial assets	81.65	-	-	-	81.65
Total	**360,530.48**	**241,203.36**	**182,530.80**	**441,453.60**	**1,225,718.24**
March 31, 2021	**Less than 1 year**	**1-3 year**	**3-5 year**	**More than 5 years**	**Total**
Trade receivables	376.86	-	-	-	376.86
Cash and Cash Equivalents	48,940.12				48,940.12
Bank balance other than (a) above	36,519.90	-	-	-	36,519.90
Derivative assets	-	1,127.67	-		1,127.67
Loans	316,985.46	333,194.89	184,173.89	551,283.40	1,385,637.64
Other financial assets	-	-	62.49	-	62.49
Total	**402,822.34**	**334,322.56**	**184,236.38**	**551,283.40**	**1,472,664.68**

Maturities of financial liabilities

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	260,151.96	286,160.90	224,013.82	107,686.18	878,012.86
Lease liability	387.54				387.54
Derivative liabilities		0.02			0.02
Trade payables	176.31				176.31
Other financial liabilities	11,720.09	955.31			12,675.40
Total	**272,435.90**	**287,116.23**	**224,013.82**	**107,686.18**	**891,252.13**

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	332,600.70	360,791.23	255,948.63	179,188.97	1,128,529.53
Lease liability	454.24	387.54	-	-	841.78
Derivative liabilities	-	0.02		-	0.02
Trade payables	505.96	-	-	-	505.96
Other financial liabilities	19,895.90	1,249.05	1,470.00	-	22,614.95
Total	**353,456.80**	**362,427.84**	**257,418.63**	**179,188.97**	**1,152,492.24**

Note: To address the risk of mismatch between pay-out of liabilities and realisation of assets in next one year, if any, the Company has adequate unused limits including short term working capital limits duly sanctioned by the banks.

C) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. The policy on foreign exchange risk management 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 manageing the above mentioned risks. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company as per its overall strategy uses derivative contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings. The Company does not use derivative contracts for speculative purposes.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to INR at closing rate, is as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities (USD)		
Foreign currency loan (INR)	14,111.08	22,342.90
Net exposure to foreign currency risk (liabilities)	**14,111.08**	**22,342.90**

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at March 31, 2022	As at March 31, 2021
USD sensitivity*		
INR/USD- increase by 464 bp (March 31, 2021: 459 bp)	654.75	1,025.54
INR/USD- decrease by 464 bp (March 31, 2021: 459 bp)	(654.75)	(1,025.54)

** Holding all other variables constant*

b) **Interest rate risk**

i) **Liabilities**

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at March 31, 2022, the Company is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Variable rate borrowing	692,400.54	815,045.98
Fixed rate borrowing	19,737.64	102,373.74
Total borrowings	**712,138.18**	**917,419.72**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2021:100 bps)	(6,924.01)	(8,150.46)
Interest rates – decrease by 100 basis points (March 31, 2021:100 bps)	6,924.01	8,150.46

** Holding all other variables constant*

ii) **Assets**

The Company's fixed deposits are carried at amortised cost and are fixed rate bearing deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the loans:

Particulars	**As at 31 March, 2022**	**As at 31 March, 2021**
Variable rate loans	823,787.09	899,616.60
Fixed rate loans*	28,782.98	159,360.52
Total loans	**852,570.07**	**1,058,977.12**

*Includes loans amounting to Rs 32.73 lakhs (March 31, 2021 Rs. 38.42 lakhs) given to employees.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	**As at 31 March, 2022**	**As at 31 March, 2021**
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2021:100 bps)	8,237.87	8,996.17
Interest rates – decrease by 100 basis points (March 31, 2021:100 bps)	(8,237.87)	(8,996.17)

** Holding all other variables constant*

c) **Price risk**

Exposure

The Company's exposure to price risk arises from investments held and classified in the balance sheet at fair value through other comprehensive income. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the end of the reporting period.

If equity price have been 10% higher/ lower:

- Other comprehensive income for the year ended March 31, 2022 would increase / decrease by ₹ Nil (for the year ended March 31, 2021: ₹256.29) as a result of the changes in fair value of equity investments measured at FVTOCI.

C) **Legal and operational risk**

i) **Legal risk**

Legal and operational risk
Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.
The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, nagative publicity,etc. are significantly reduced, As at March 31, 2022, there are no material legal cases pending against the Company. Based on the opinion of the Company's legal advisors, the management believes that no substantial liability is likely to arise from these cases.

ii) **Operational risk**

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks In the underlaying processes. The framework at its core, has the following elements:
1. Documented Operational Risk Management Policy.
2. Well defined Governance Structure.
3. Use of identification and Monltonng tools such as Loss Data "Capture, Key Risk Indicators. BRisk Operation Grading of branches every quarter.
4. Standardized reporting templates . reporting structure and frequency.

The Company has adopted the internationally accepted 3-lines of defence approach to operational risk management.
First line - Field Operations, Central Operation & Product function. Credlt and Internal Control & Quality vertical exercise & also evaluate internal compliance and thereby lay down/calibrates processes & policies for further improvement. Thus, the approach is "Bottom-up". ensuring acceptance of findings and faster adoption of corrective actions. if any. to ensure mitigation of perceived risks.
Second line - Independent risk management vertical supports the first line in providing deep analytics insights. Influencing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis.
Third line - Internal Audit conducts periodic risk-based audits or all functions and process to provide an independent assurance to the Audit Committee.

45 **Ind AS 116 Leases**

This note explains the impact of the adoption of Ind AS 116 Leases on company's financial statements and discloses the new accounting policies that have been applied from 1 April 2019.

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases, using the "Modified Retrospective Approach" for transition. Based on the same and as permitted under the specific transitional provisions in the standard the company has not restated the comparative figures. On transition, the adoption of new standard has resulted in the recognition of right-of-use asset, classified in a consistent manner to its property, plant and equipment with a corresponding lease liability being measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

(a) On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.24%.

(b) The following are amounts recognised in profit or loss:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Depreciation expense of right-of-use assets	419.25	419.25
Interest expense on lease liabilities	62.62	105.46
Expenses relating to short-term leases (included in cost of sales)	47.74	49.38
	529.61	**574.09**

(c) The following are amounts recognised in statement of cash flows:

Total cash outflow for leases	454.24	386.78

Please refer note 44(B) for maturity analysis of lease liability and maturity analysis of contractual undiscounted cash flows

46 **Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2022**

Asset classification as per RBI norms	**Asset classification as per Ind AS 109**	**Gross carrying amount as per Ind AS**	**Loss allowance (provisions) as required under Ind AS 109**	**Net carrying amount**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
Performing Assets						
Standard	Stage 1	678,428.01	4,551.29	673,876.72	2,713.71	1,837.58
	Stage 2	68,914.93	4,726.50	64,188.43	988.64	3,737.86

	Stage 3	33,213.48	4,063.48	29,150.00	10,852.00	(6,788.52)
Subtotal		**780,556.42**	**13,341.27**	**767,215.15**	**14,554.35**	**(1,213.08)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	**312.60**	**2.65**	**309.95**	**31.40**	**(28.75)**
Doubtful - upto 1 year	Stage 3	12,766.51	207.04	12,559.47	2,553.31	(2,346.27)
1 to 3 years	Stage 3	38,069.47	18,127.05	19,942.42	33,679.42	(15,552.37)
More than 3 years	Stage 3	8,332.34	2,460.64	5,871.70	5,116.09	(2,655.45)
Subtotal for doubtful (Refer Note)		**59,168.32**	**20,794.73**	**38,373.59**	**41,348.82**	**(20,554.09)**
Loss	Stage 3	12,500.00	12,500.00	-	12,500.00	-
Subtotal for NPA		**71,980.92**	**33,297.38**	**38,683.54**	**53,880.22**	**(20,582.84)**
Total	**Stage 1**	**678,428.01**	**4,551.29**	**673,876.72**	**2,713.71**	**1,837.58**
	Stage 2	**68,914.93**	**4,726.50**	**64,188.43**	**988.64**	**3,737.86**
	Stage 3	**105,194.40**	**37,360.86**	**67,833.54**	**64,732.22**	**(27,371.36)**

Note: Rs 27,371.36 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as "Impairment Reserve" in the Balance Sheet. Refer Note 22.

The loan asset classified in stage III, under standard assets, amounting to Rs. 33,213 lakhs pertain to the borrower which has been overdue for more than one year however, in accordance with judicial pronouncement related this asset/ account, the account is not classified as NPA as at March 31, 2022. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to Rs. 4,063 lakhs and Impairment reserve amounting to Rs. 6,789 lakhs as at March 31, 2022.

One of the loan asset classified in stage III under doubtfull 1 to 3 years, amounting to Rs. 23,069 lakhs, pertain to the borrower which is classified as NPA on Feb 02, 2022 after completion of resolution plan and declaration of such asset as "Fraud' to RBI in Feb, 2022. However, for presentation in the table above, the categorisation is done based on actual dates since the account became overdue from December 1, 2018. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to Rs. 9,400 lakhs and Impairment reserve amounting to Rs. 13,669 lakhs as at March 31, 2022.

Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2021

Asset classification as per RBI norms	**Asset classification as per Ind AS 109**	**Gross carrying amount as per Ind AS**	**Loss allowance (provisions) as required under Ind AS 109**	**Net carrying amount**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
Performing Assets						
Standard	Stage 1	832,951.49	3,239.73	829,711.76	3,331.80	(92.07)
	Stage 2	91,349.19	2,316.60	89,032.59	1,106.32	1,210.28
Subtotal		**924,300.68**	**5,556.33**	**918,744.35**	**4,438.12**	**1,118.21**
Non-Performing Assets (NPA)						
Substandard	Stage 3	51,122.18	5,449.56	45,672.62	10,147.22	(4,697.66)
Doubtful - upto 1 year	Stage 3	14,960.43	6,869.24	8,091.19	8,375.39	(1,506.15)
1 to 3 years	Stage 3	45,790.87	24,815.22	20,975.65	28,721.74	(3,906.52)
More than 3 years	Stage 3	22,764.54	20,176.14	2,588.40	22,670.72	(2,494.58)
Subtotal for doubtful (Refer Note)		**83,515.84**	**51,860.60**	**31,655.24**	**59,767.85**	**(7,907.25)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**
Total	**Stage 1**	**832,951.49**	**3,239.73**	**829,711.76**	**3,331.80**	**(92.07)**
	Stage 2	**91,349.19**	**2,316.60**	**89,032.59**	**1,106.32**	**1,210.28**
	Stage 3	**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**

Note: Rs 12,696.98 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as "Impairment Reserve" in the Balance Sheet.

47 **Earnings per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Basic earnings per share	2.02	0.40
b) Diluted earnings per share	2.02	0.40

c) Reconciliations of earnings used in calculating earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Earnings per share		
Profits attributable to the equity holders of the company used in calculating basic and diluted earnings per share	12,998.48	2,560.31

d) Weighted average number of shares used as the denominator

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	642,283,335	642,283,335

Note: There are no potential equity shares in the Company.

48 **Foreign currency disclosure**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Earning in foreign currency	-	-
b) Expenses in foreign currency	1,056.70	1,553.30
c) Principal repayment	8,504.05	8,471.49

49 **Expenditure on Corporate Social Responsibility**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent	82.20	232.62
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	21.00	252.30
(c) Shortfall at the end of the year	61.20	-
(d) Total of previous years shortfall	61.20	-
(e) Reason of shortfall (*)		
(f) Nature of CSR activities (**)		
(g) Details of related party trasactions	-	220.99
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately		
At the beginning of the year	-	-
Fresh provision made during the year	-	-
Payment made during the year	-	-
At closing of the year	-	-

(*) During FY 2021-22, a CSR Committee Meeting of PFS could not be held, due to unforeseen circumstances, which resulted in non-approval of any CSR projects. As per Companies Act, 2013 and its amendments till date, the unspent CSR amount has been transferred to fund included in Sch. VII of the Act, within 6 months from the end of the financial year i.e. by September 2022.

(**) The objective of PFS's CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders.

50 The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

51 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.

52 There were no disputed dues in respect of Goods & Services Tax which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved*	Amount unpaid
Income-tax Act 1961	Income Tax	Income Tax Appellate Authority	2012-2017	2,936.70	937.09
		Upto Commissioner (Appeals)	2012-13, 2014-15, 2017-18	754.58	94.99

53 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:-

a) The title deeds of Immovable properties of the Company are held in the name of the Company.

b) There is no proceeding initiated or pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

c) The Company is not declared wilful defaulter by any bank or financial Institution or any other lenders.

d) Being a systemically important non-banking financial company registered with the Reserve Bank of India as per Reserve Bank of India Act, 1934 (2 of 1934), the provisions prescribed under clause (87) of Section 2 of the companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

e) There is no scheme of arrangement which has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

f) There were no transaction that had not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h) The Company does not have borrowings from banks or financial institutions on the basis of security of current assets. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation.

i) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

j) The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

k) All the charges with respect to borrowings have been created in favor of lenders with ROC within statutory timeline during the financial year FY 2021-22. Further satisfaction of charges for certain borrowings which were duly repaid to lenders are due for satisfaction with ROC as at March 31, 2022.

l) The Company has not entered into any transactions with the companies struck off under section 248 of the Act or section 560 of the Companies Act, 1956.

m) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are: (a)repayable on demand or (b) without specifying any terms or period of repayment

54 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post employment. has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet Issued. The Company will assess the impact of the Code and will give approprjate Impact In the financial statements in the period In which, the Code becomes effective and the related rules to determine the financial impact are published.

55 (a) On January 19, 2022, three independent directors of the Company resigned mentioning lapses in corporate governance and compliance. Since then RBI, SEBI and ROC (the "Regulators") have reached out to the Company with their queries regarding the allegations made by the then independent directors and directed the Company to submit its response against such allegations. SEBI also directed the Company to submit its Action Taken Report (ATR), together with Company's response against such allegations. Basis the forensic audit report which was received by the Company on 4th Nov, 2022 and other inputs from professional services firm retained by the Management, it has been decided that the management shall take necessary corrective actions and submit its ATR, if required, to the satisfaction of SEBI. On February 11, 2022, RBI sent its team at the Company office to conduct scrutiny on the matters alleged in the resignation letters of ex-independent directors. While the RBI's team completed its scrutiny at Company's office on February 14, 2022 and the Company has satisfactorily responded to all queries and requests for information but has not received any further communication from RBI in this regard. On November 4, 2022, the Forensic auditor appointed by the Company, submitted its forensic audit report. The Company engaged a reputed professional services firm to independently review the management's response and independent review of documents supporting such response and commenting on such observations, including financial implications and any indication towards suspected fraud. The management's responses and remarks of professional services firm, together with report of forensic auditor, have been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022.

(b) SEBI vide its email dated March 2, 2022, rejected the ATR submitted by the Company and not acceded the Company's request for conducting Board Meeting without an independent director. Subsequent to this, with recommendation of the Holding Company, the Company appointed four independent directors through circular resolution. These directors are also independent directors on the Board of the Holding Company. Prior to the appointment of the independent directors, Chairman of PTC India Limited vide email dated March 25, 2022, informed RBI and SEBI about the proposed nomination of four independent directors of PTC India Limited to the board of the Company, and post appointment, disclosures on such appointments have been made to the stock exchanges. On April 19, 2022, the Chairman, PTC India Limited sent another email to SEBI, with specific reference to earlier email dated March 25, 2022, and SEBI in its email dated April 19, 2022 has acknowledged the same. The Company has also made necessary communication to Stock Exchanges regarding appointment of directors and holding of board meetings. The Company, basis its discussions with SEBI and RBI as also summarized in such emails and advise received from external legal firm, believes that there is no non-compliance with SEBI's directions vide its email dated March 2, 2022. On June 28, 2022, the SEBI also directed the Company for waiving-off with the requirements of regulation 17 (1C) of SEBI LODR guidelines regarding ratification of directors' appointment in shareholders' meeting within 3 months from the date of their appointment by the Board

(c) Post resignation of ex-independent directors, the Company has not been able to comply with the various provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to non-constitution of committees and sub-committees of the Board, timely conduct of their meetings and non-filing of annual and quarterly results with respective authorities. The Company intends to file for condonation of delay for non-compliance of such provisions with respective authorities and does not expect any material financial impact, if any, due to fines/ penalties arising from such process.

56 As at March 31, 2022, for loans under stage I and stage II, the management has determined the value of secured portion on the basis of best available information including book value of assets/ projects as per latest available balance sheet of the borrowers, technical and cost certificates provided by the experts and valuation of underlying assets performed by external professionals appointed either by the Company or consortium of lenders. For loan under stage 3, the management has determined the value of secured portion on the basis of best available information, including valuation of underlying assets by external consultant/ resolution professional (RP) for loan assets under IBC proceedings, claim amount in case of litigation and proposed resolution for loan under resolution through Insolvency and Bankruptcy Code (IBC) or settlement. The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects/ assets of borrowers under IBC.

57 The Company had received a communication from ROC on March 28, 2018, pursuant to complaints received from identified third parties, alleging mismanagement in the Company's operations. The Company had submitted a reply dated April 18, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. Company received another letter dated September 24, 2021 u/s 206(4) of the Companies Act, 2013 from Office of Registrar of Companies, Ministry of Corporate affairs initiating inquiry and seeking specified information/ documents, primarily related to the period upto FY 2018-19. The Company had submitted the reply, with requisite information/ documents, in response to the letter on October 22, 2021. While the Company responded to this notice on October 22, 2021 and no further intimation from ROC has been received till date.

58 As at March 31, 2022, the Company has assessed its financial position including expected realization of assets and payment of liabilities including borrowings and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in at least 12 months from the reporting date.

59 Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

Particulars	During the quarter/ year ended March 31, 2022
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

60 Other comprehensive income includes profit (net of tax) amounting to Rs. 795.64 lakhs by selling 21,904,762 nos. of equity shares of M/s Patel Engineering Limited which were acquired as a part of one time settlement of loan of M/s Dirang Energy Pvt. Ltd.

61 On November 12, 2021, the Reserve Bank of India ("RBI") had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms ("IRACP norms") pertaining to Advances. On February 15, 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30, 2022. Accordingly, the Company is under process to implement the updated norms under IRACP norms.

62 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure

63 **Ratios to be disclosed as per requirements of Schedule III of the Act**

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	Capital to risk-weighted assets ratio (CRAR)		
	Capital *	199,018.79	192,833.67
	Risk-weighted assets ratio #	745,057.49	800,103.57
	Capital to risk-weighted assets ratio (CRAR)	**26.71%**	**24.10%**
	% Change as compared to the preceeding year	10.83%	
B.	Tier I CRAR		
	Tier I capital *	194,467.50	189,593.93
	Risk-weighted assets ratio #	745,057.49	800,103.57
	Tier I CRAR	**26.10%**	**23.70%**
	% Change as compared to the preceeding year	10.15%	
C.	Tier II CRAR		
	Tier II capital *	4,551.29	3,239.74
	Risk-weighted assets ratio #	745,057.49	800,103.57
	Tier II CRAR	**0.61%**	**0.40%**
	% Change as compared to the preceeding year	50.86%	
D.	Liquidity coverage ratio		
	High quality liquid assets	85,698.00	82,089.00
	Total net cash flows	97,696.73	93,100.51
	Liquidity coverage ratio	87.72%	88.17%
	% Change as compared to the preceding year	-0.51%	
E.	Current Ratio (1)	Not Applicable	Not Applicable
F.	Debt equity ratio (2)	3.14	4.37
G.	Debt service coverage ratio (1)	Not Applicable	Not Applicable
H.	Return on equity ratio (3)	5.93%	1.22%
I.	Trade receivable turnover ratio (1)	Not Applicable	Not Applicable
J.	Trade payable turnover ratio (1)	Not Applicable	Not Applicable
K.	Net capital turnover ratio (1)	Not Applicable	Not Applicable
L.	Net profit ratio (4)	13.42%	2.25%
M.	Return on capital employed (1)	33.29%	39.86%
N.	Return on investment (1)	Not Applicable	Not Applicable

Notes :-

1 The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are not applicable

2 Debt - equity ratio = (debt securities + borrowings - other than debt securities + subordinated liabilities) / net worth, where net worth is aggregate of equiry share capital and other equity

3 Return on equity ratio = profit after tax / average net worth

4 Net profit ratio = profit after tax / total income

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

(as required in terms of paragraph 19 of Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

	Particulars			
	Liabilities side:			
(1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**		**Amount out-standing ***	**Amount overdue**
	(a)	Debentures : Secured (Including infrabond)	12,622.01	-
		: Unsecured (other than falling within the meaning of public deposits)	-	-
	(b)	Deferred Credits	-	-
	(c)	Term Loans	699,128.63	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits	-	-
	(g)	Other Loans		
		(i) financial institutions	-	-
		(ii) Lease liability	387.54	-
(2)	**Breakup of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid:**			
	(a)	In the form of unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other Public Deposits	-	-

* The amount does not include interest accrued but not due

	Assets side:	**Amount out-standing**
(3)	**Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:**	
	(a) Secured (net of provision of Rs. 46,638.64 lakhs)	805,929.10
	(b) Unsecured*(net of provision of Rs.37.37 lakhs)	286.02
(4)	**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	-

(5)	**Break-up of Investments:**	
	Current 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	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

* Includes Trade Receivables Rs 110.62 lakhs, Other financial assets Rs 81.65 lakhs, Other Non-Financial assets Rs 91.42 lakhs and loans to employees Rs 2.33 lakhs.

	Assets side:	**Amount outstanding**
	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 Rs. 24,692.11 lakhs)	-
	(b) Preference	-
	(ii) Debentures and Bonds (net of provisions Rs 128.19 lakhs)	23,171.86
	(iii) Units of mutual funds	
	(iv) Government Securities	-
	(v) Others (Security Receipts) (net of accumulated decrease in fair value Rs. 15.81 lakhs)*	11,830.76
	Total	**35,002.62**

*In accordance with the Company's accounting policy, the security receipts are recognised at FVTPL and Rs 15.81 lakhs (March 31, 2021: 10.47 lakhs) represents the accumulated decrease in fair value from inception till date. The Company has provided Rs 6.14 lakhs (March 31, 2021: (Rs 237.27 lakhs)) through the statement of profit and loss during the year.

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group (Refer Note 39)	4,865.15	-	4,865.15
	(c) Other related parties	-	-	-
	2. Other than related parties	801,063.95	286.02	801,349.97
	Total	**805,929.10**	**286.02**	**806,215.12**

(7)	Investor group-wise classification of all investments (current and long term) in shares		
	Category	Market Value / Break up or fair value or NAV	Book value (net of provisions)
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties (Refer Note 8)	35,002.62	35,002.62
	Total	**35,002.62**	**35,002.62**

(8)	Other information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	428.58
	(b) Other than related parties	71,980.91
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	38,683.55
	(iii) Assets acquired in satisfaction of debt	-

The Company has gross recoverable and net recoverable amounting to Rs. 33,213.48 lakhs and Rs. 29,150.00 respectively, as at March 31, 2022 which have been classified under stage III, in accordance with Ind AS 109 (Refer Note 44 A.4). While these balances have not been considered as NPA, in accordance with judgments issued by respective judicial authorities in this respect, the Company has accrued provision/ reserve for impairment in accordance with Ind AS 109 and RBI's prudential norms read with RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

64.1 Disclosure of restructured accounts

(as required in terms of paragraph 25 norms of restructuring of advances by Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

S. No.	Type of restructuring		Under CDR Mechanism					Others					Total				
	Assets classification / Details		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as at April 1, 2021	No. of borrowers (Nos)	-	-	2	-	2	1	-	1	-	2	1	-	3	-	4
		Amount outstanding	-	-	10,264.54	-	10,264.54	16,107.09	-	12,500.00	-	28,607.09	16,107.09	-	22,764.54	-	38,871.63
		Provision thereon	-	-	7,676.14	-	7,676.14	800.00	-	12,500.00	-	13,300.00	800.00	-	20,176.14	-	20,976.14
2	Fresh restructuring during the year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standards category during the financial year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and /or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers (Nos)	-	-	-	-	-	1	-	-	-	1	1	-	1	-	2
		Amount outstanding	-	-	-	-	-	15,459.97	-	-	-	15,459.97	15,459.97	-	12,500.00	-	27,959.97
		Provision thereon	-	-	-	-	-	1.96	-	-	-	1.96	1.96	-	12,500.00	-	12,501.96
5	Downgradations of restructured accounts during the financial year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the financial year	No. of borrowers (Nos)	-	-	1*	-	1*	-	-	-	-	-	-	-	1*	-	1*
		Amount outstanding	-	-	8,242.30	-	8,242.30	-	-	-	-	-	-	-	8,242.30	-	8,242.30
		Provision thereon	-	-	7,573.00	-	7,573.00	-	-	-	-	-	-	-	7,573.00	-	7,573.00
7	Restructured accounts as on March 31, 2022	No. of borrowers (Nos)	-	-	2	-	2	-	-	1	-	1	-	-	3	-	3
		Amount outstanding	-	-	2,022.24	-	2,022.24	-	-	12,500.00	-	12,500.00	-	-	14,522.24	-	14,522.24
		Provision thereon	-	-	103.14	-	103.14	-	-	12,500.00	-	12,500.00	-	-	12,603.14	-	12,603.14

*It shows 1 account which has been partially written off during the year.

64.2 **Disclosures required pursuant to Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016**

I. Capital

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(i)	CRAR (%)	26.71%	24.10%
(ii)	CRAR - Tier I Capital (%)	26.10%	23.70%
(iii)	CRAR - Tier II Capital (%)	0.61%	0.40%
(iv)	Amount of subordinated debt raised as Tier-II capital	-	-
(v)	Amount raised by issue of Perpetual DebtInstruments	-	-

II. Investments

	Particulars			Year ended March 31, 2022	Year ended March 31, 2021
1.	**Value of Investments**				
	(i)	Gross Value of Investments			
			(a) In India	60,267.31	63,279.03
			(b) Outside India	-	-
	(ii)	Provisions for Depreciation			
			(a) In India	25,264.69	25,949.02
			(b) Outside India	-	-
	(iii)	Net Value of Investments			
			(a) In India	35,002.62	37,330.01
			(b) Outside India	-	-
2.	**Movement of provisions held towards depreciation on investments**				
	(i)	Opening balance		25,949.02	26,300.25
	(ii)	Add : Provisions made during the year		-	700.31
	(iii)	Less : Write-off / write-back of excess provisions during the year		(684.33)	(1,051.54)
	(iv)	Closing balance		**25,264.69**	**25,949.02**

III. (a) Forward rate agreement /interest rate swap

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(i)	The notional principal of swap agreements	7,115.63	8,764.94
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	636.05	338.40

(b) Exchange traded interest rate(IR) derivatives

The Company has not undertaken any Exchange Traded Interest Rate (IR) Derivatives during the year ended March 31, 2022 as well as in the previous year ended March 31, 2021.

IV. Disclosures on risk exposure in derivatives

(a) Quantitative disclosures

Particulars		Year ended March 31, 2022		Year ended March 31, 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging	5,930.02	5,930.02	13,577.96	13,577.96
(ii)	Marked to Market Positions [1]	-			
	Asset (+)	372.42	-	789.27	-
	Liability (-)	-	-	-	-
(iii)	Credit Exposure [2]	-	-	-	-
(iv)	Unhedged Exposures*	1,135.00	1,135.00	1,302.17	1,302.17

Refer Note 44 C for Qualitative disclosures

V. Disclosures relating to securitisation

The Company does not have any securitised assets as at March 31, 2022 as well as in the previous year ended March 31, 2021.

VI. Details of financial assets sold to securitisation /reconstruction company for asset reconstruction

The Company has sold the following financial assets to securitisation /reconstruction company for asset reconstruction during the year ended March 31,2022

S.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

VII. Details of assignment transaction undertaken by applicable NBFCs

S.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	No. of accounts	-	1.00
(ii)	Aggregate value of accounts sold	-	7,500.00
(iii)	Aggregate consideration	-	7,500.00
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

VIII. Details of non-performing financial assets purchased /sold

The Company has not purchased/sold any non-performing financial assets from other NBFCs in the current year as well as in the previous year.

IX. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31,2022

Particulars	Upto 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	92,212.87	16,250.00	17,486.26	21,859.06	48,717.57	212,979.00	178,309.70	97,203.09	685,017.55
Market Borrowings	-	-	3,000.00	-	2,422.50	-	7,199.51	-	12,622.01
ECB loans	6,184.34	-	533.07	951.01	835.87	3,343.49	2,263.30	-	14,111.08
Total	98,397.21	16,250.00	21,019.33	22,810.07	51,975.94	216,322.49	187,772.51	97,203.09	711,750.64
Assets									
Receivables under financing activity (net)	96,418.25	8,109.36	18,917.26	26,371.99	59,854.42	151,529.21	118,427.15	326,303.79	805,931.43
Investment (net)	-	-	-	-	23,171.86			11,830.76	35,002.62
Total	96,418.25	8,109.36	18,917.26	26,371.99	83,026.28	151,529.21	118,427.15	338,134.55	840,934.64

Maturity pattern of certain items of assets and liabilities as at March 31,2021

Particulars	Upto 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	43,321.75	-	30,980.77	60,806.43	66,858.77	264,411.70	201,994.37	163,153.08	831,526.87
Market Borrowings	-	7,045.50	32,475.08	-	12,419.55	4,500.00	7,168.67	-	63,608.80
ECB loans	1,571.22	-	533.07	2,104.29	4,208.58	10,176.05	3,690.84	-	22,284.05
Total	44,892.97	7,045.50	63,988.92	62,910.72	83,486.90	279,087.75	212,853.88	163,153.08	917,419.72
Assets									
Receivables under financing activity (net)	166,448.69	25,582.77	4,069.48	22,149.55	34,445.91	223,983.03	110,722.03	408,709.17	996,110.63
Investment (net)	-	-	-	-	-	21,680.82	-	15,649.19	37,330.01
Total	166,448.69	25,582.77	4,069.48	22,149.55	34,445.91	245,663.85	110,722.03	424,358.36	1,033,440.64

X. Exposure to real estate sector, both direct and indirect

The Company does not have any direct or indirect exposure to the real estate sector as at March 31,2022 as well as in the previous year ended March 31, 2021.

XI. Exposure to Capital Market

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	1,757.70	12,411.97

(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	**1,757.70**	**12,411.97**

XII. Miscellaneous

No.	Regulator	Particulars	Registration Details
(a)	Ministry of Corporate Affairs	Corporate Identification Number	L65999DL2006PLC153373
(b)	Reserve Bank of India - Registration Number :	Registration Number	N-14.03116
(c)	Legal Entity Identifier India Limited	LEI Number	335800JD6DLHKGQQ3Z14

(b) Credit Rating

Non Convertible Debentures/Bonds	CARE A+ (Stable), CRISIL A+/Watch Developing (placed on 'Rating watch with Developing Implications), ICRA A+, placed on rating Watch with negative implications
Bank limits (rated on long term scale)	CARE A+ (Stable), CRISIL A+/Watch Developing (placed on 'Rating watch with Developing Implications), ICRA A+, placed on rating Watch with negative implications
Bank limits (rated on short term scale)	CARE A1+, ICRA A1+, placed on rating Watch with negative implications
Commercial Paper Programme	CRISIL A1+/Watch Developing (placed on 'Rating watch with Developing Implications), ICRA A1+, placed on rating Watch with negative implications

(c) No penalties have been levied by any regulator during the year ended March 31, 2022 as well as in the previous year ended March 31, 2021.

XIII. Additional Disclosures

(a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provisions for depreciation on Investment	(15.00)	(211.63)
Provision towards NPA	(23,355.02)	15,091.53
Loss on loans & advances written off	33,028.39	8,146.73
Provision for Standard Assets	7,127.17	(79.66)

XIV. Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Advances

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Advances to twenty largest borrowers	551,643.07	537,071.08
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	64.71%	50.72%

(b) Concentration of Exposures

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Exposure to twenty largest borrowers /customers	551,643.07	537,071.08
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	64.71%	50.72%

(c) Concentration of NPAs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Exposure to top four NPA accounts	63,335.98	67,051.44

(d) Sector-wise NPAs

S. No	Sector	Percentage of NPAs to Total Advances in that sector	
		Year ended March 31, 2022	Year ended March 31, 2021
(i)	Agriculture & allied activities	-	-
(ii)	MSME	-	-
(iii)	Corporate borrowers	8.29%	7.64%
(iv)	Services	-	-
(v)	Unsecured personal loans	-	-
(vi)	Auto loans	-	-
(vii)	Other personal loans	-	-

XV. **Movement of NPAs**

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(i)	Net NPAs to Net Advances (%)	4.67%	3.08%
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	82,410.64	74,461.91
(b)	Additions during the year	23,382.07	20,639.61
(c)	Reductions during the year	33,383.22	12,690.88
(d)	Closing balance	**72,409.49**	**82,410.64**
(iii)	Movement of Net NPAs		
(a)	Opening balance	31,305.84	38,448.66
(b)	Additions during the year	13,979.26	15,825.88
(c)	Reductions during the year	6,601.55	22,968.70
(d)	Closing balance	**38,683.55**	**31,305.84**
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	51,104.79	36,013.25
(b)	Provisions made during the year	15,649.54	24,985.11
(c)	Write-off / write-back of excess provisions	33,028.39	9,893.57
(d)	Closing balance	**33,725.94**	**51,104.79**

XVI. The Company does not have any joint ventures and subsidiaries abroad as at March 31,2022 as well as in the previous year ended March 31, 2021.

XVII. The Company does not have any SPVs sponsored as at March 31,2022 as well as in the previous year ended March 31, 2021.

XVIII. The prudential exposure limit was exceeded for one borrower's group during the year. However, the Company had received prepayment from such group and thereby, the Company complies with the group exposure norms as at March 31, 2022 in accordance with RBI guidelines.

XIX. Disclosure of Complaints

(a) Customer Complaints *

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	548	712
(c)	No. of complaints redressed during the year	548	712
(d)	No. of complaints pending at the end of the year	Nil	Nil

*Representing complaints of infrastructure retail bondholders.

XX. Information on net interest margin (qualifying asset)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Average interest loan assets	930,635.67	1,068,463.66
(b)	Net Interest Income	32,355.23	33,816.01
(c)	Net interest margin %	3.48%	3.16%

XXI. The Company has reported frauds aggregating Rs. 26,486.60 lakhs (Previous year : Rs. 10,164.65 Lakhs) based on management reporting to risk committee and to the RBI through prescribed returns.

XXII. Details of resolution plan implemented under the Resolution Framework for COVID - 19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0), as at March 31, 2022 are given below

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the halfyear	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans					
Corporate persons*	NIL	NIL	NIL	NIL	NIL
Of which, MSMEs					
Others					
Total					

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

64.3 **(as required in terms of RBI circular RBI/2016-17/122 DBR.No.BP.PC.34/21.04.132/2016-17 dated November 10, 2016)**

1 **Disclosures on flexible structuring of existing loans**

Period	No. of borrowers taken up for flexibly structuring	Amount of loans taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
FY2020-21	-	-	-		
FY2021-22	-	-	-		

2 **Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under standstill period)**

No. of accounts where SDR has been invoked	Amount outstanding as on reporting date		Amount outstanding as on report date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on report date with respect to accounts where conversion of debt to equity has taken place	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY2020-21	-	-	-	-	-	-
FY2021-22	-	-	-	-	-	-

3 **Disclosures on Change in ownership Outside Strategic Debt Restructuring Scheme (accounts which are currently under standstill period)**

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date		Amount outstanding as on reporting date with respect to the accounts where conversion of debt/invocation of pledge of equity shares is pending		Amount outstanding as on reporting date with respect to the accounts where conversion of debt/invocation of pledge of equity shares has taken place		Amount outstanding as on reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY2020-21	-	-	-	-	-	-	-	-
FY2021-22	-	-	-	-	-	-	-	-

4 Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21. 04.048/2021-22 dated September 24, 2021:

Particulars	**During the year ended March 31, 2022**
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

5 **Public Disclosure on Liquidity Risk**

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	**Number of Significant Counterparties**	**Amount (₹ lakhs) as at March 31, 2022**	**% of Total deposits as at March 31, 2022**	**% of Total Liabilities/ Borrowing as at March 31, 2022**	**Amount (₹ lakhs) as at March 31, 2021**	**% of Total deposits as at March 31, 2021**	**% of Total Liabilities/ Borrowing as at March 31, 2021**
(A)	Bank/FI Loan : Long Term						
	- Canara Bank	189,200.27	NA	26.58%	272,666.05	NA	29.75%
	- Union Bank of India	118,871.20	NA	16.70%	124,430.40	0	13.58%
	- State bank of India	83,798.09	NA	11.77%	126,731.89	NA	13.83%
	- Bank of India	107,146.21	NA	15.05%	124,991.45	NA	13.64%

(B)	Bank/FI/Other Loan : Short Term						
	- Union Bank of India	25,000.00	NA	3.51%	12,496.77	NA	1.36%
	- Commercial Paper (PNB)	-	NA	0.00%	29,474.58	NA	3.22%
	- EXIM bank	-	NA	0.00%	30,000.00	NA	3.27%
	- Canara Bank	9,999.73	NA	1.40%	10,000.00	0	0.01
(C)	External Commercial Borrowing : Long Term						
	- OeEB	7,089.23	NA	1.00%	8,722.17	NA	0.95%
	- IFC	5,925.92	NA	0.83%	10,366.44	NA	1.13%
	- DEG	1,095.93	NA	0.15%	3,195.44	NA	0.35%
(D)	Non Convertible Debenture/ Bonds : Long Term						
	- NCD-4	7,201.89	NA	1.01%	14,229.58	NA	1.55%
	- NCD-5	2,997.93	NA	0.42%	5,986.29	NA	0.65%
	- NCD-3	1,499.69	NA	0.21%	2,998.80	0	0.33%
(E)	Non Convertible Debenture/ Bonds : Short Term						
	Infra Bond Series 2	922.50	NA	0.13%	10,919.55	NA	1.19%
		560,748.59			**787,209.41**		

(ii) Top 20 large deposits (amount in ₹ lakhs and % of total deposits)

- Not Applicable as Company is a Non Deposit taking NBFC- IFC

(iii) Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

Sr. No	Name of Lender	Amount (₹ lakhs) as at March 31, 2022	% of Total Liabilities/ Borrowing as at March 31, 2022	Amount (₹ lakhs) as at March 31, 2021	% of Total Liabilities/ Borrowing as at March 31, 2021
1	Canara Bank	199,200.00	27.99%	282,666.05	30.84%
2	Union Bank of India	143,871.20	20.21%	136,927.17	14.94%
3	SBI	83,798.09	11.77%	126,207.63	13.77%
4	Bank of India	107,146.21	15.05%	124,981.58	13.64%
5	Punjab National Bank	1,280.41	0.18%	36,130.68	3.94%
6	Bank of Baroda	61,967.28	8.71%	29,894.84	3.26%
7	CBI	6,697.00	0.94%	20,461.41	2.23%
8	Bank of Maharashtra	55,975.79	7.86%	19,770.98	2.16%
9	J & K Bank	16,091.00	2.26%	19,647.58	2.14%
10	Indian Bank (eAllahabad)	8,990.57	1.26%	3,999.67	0.44%
	Total of Top 10 Borrowing	**685,017.55**	**96.24%**	**800,687.60**	**87.36%**
	Total Borrowings	**711,750.64**		**916,577.94**	

(iv) **Funding Concentration based on significant instrument/product**

Sr. No	Name of the instrument/ product	Amount (₹ lakhs) as at March 31, 2022	% of Total Liabilities/ Borrowing as at March 31, 2022	Amount (₹ lakhs) as at March 31, 2021	% of Total Liabilities/ Borrowing as at March 31, 2021
1	Bank/FI Loan : Long Term	650,017.83	91.33%	757,189.33	82.61%
2	External Commercial Borrowing : Long Term	14,111.08	1.98%	22,284.05	2.43%
3	Non Convertible Debenture/Bonds : Long Term	11,699.51	1.64%	23,214.67	2.53%
4	Bank/FI Loan : Short Term	34,999.73	4.92%	73,495.76	8.02%

5	Commercial Paper	-	0.00%	29,474.58	3.22%
6	Non Convertible Debenture/Bonds : Short Term	922.50	0.13%	10,919.55	1.19%
	Total	**711,750.65**	**100.00%**	**916,577.94**	**100.00%**

(v) Stock Ratios:

Year ended March 31, 2022	**Year ended March 31, 2021**
a) Commercial papers as a % of total public funds, total liabilities and total assets	a) Commercial papers as a % of total public funds, total liabilities and total assets
- Commercial papers as a % of total public funds NIL	- Commercial papers as a % of total public funds NIL
- Commercial papers as a % of total liabilities and total assets NIL	- Commercial papers as a % of total liabilities and total assets 2.60%
b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets
- NIL	- NIL
c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets
- na as Company has NIL Public Funds	- NA as Company has NIL Public Funds
- Short Term Liability stands at 4.92% of Total Borrowing	- Short Term Liability stands at 12.43% of Total Borrowing

(vi) **Institutional set-up for liquidity risk management**

Year ended March 31, 2022	**Year ended March 31, 2021**
- Company has Internal Asset Liability Management Committee (ALCO) headed by MD & CEO wherein Head-Credit, Chief Risk Officer and Chief Financial Officer are other members of ALCO.	- Company has Internal Asset Liability Management Committee (ALCO) headed by MD & CEO wherein Director (Operations), Head-Credit, Chief Risk Officer and Chief Financial Officer are other members of ALCO.
- ALCO generally meets on monthly basis to review the ALM position of Company.	- ALCO generally meets on monthly basis to review the ALM position of Company.
- The ALCO reports to Risk Management Committee.	- The ALCO reports to Risk Management Committee.
The above statement has been prepared and disclosed basis on the requirement of RBI Circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.	

Disclosure pursuant to Reserve Bank of India Circular DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 pertaining to Liquidity Risk Management Framework for Non-Banking Financial Companies (continued)

6 Disclosure relating to Liquidity Coverage Ratio ("LCR")

High Quality Liquid Asset		Quarter ended June 30, 2021		Quarter ended September 30, 2021		Quarter ended December 31, 2021		Quarter ended March 31, 2022	
		Total Unweighted3 Value (average)#	Total Weighted4 Value (average)#	Total Unweighted3 Value (average)#	Total Weighted4 Value (average)#	Total Unweighted3 Value (average)#	Total Weighted4 Value (average)#	Total Unweighted3 Value (average)#	Total Weighted4 Value (average)#
1	-Total High Quality Liquid Assets (HQLA	161,369.33	161,369.33	51,436.00	51,436.00	35,811.33	35,811.33	82,059.00	82,059.00
Cash Outflow									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	44,208.18	50,839.41	13,836.65	15,912.14	8,222.98	9,456.43	30,262.40	34,801.76
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	44,208.18	50,839.41	13,836.65	15,912.14	8,222.98	9,456.43	30,262.40	34,801.76
6	Other contractual funding obligations	35,628.54	40,972.82	20,096.83	23,111.36	35,543.98	40,875.57	8,487.21	9,760.30
7	Other contingent funding obligations	16,377.78	18,834.44	22,626.44	26,020.41	14,233.33	16,368.33	42,700.67	49,105.77
8	TOTAL CASH OUTFLOWS	96,214.50	110,646.67	56,559.92	65,043.91	58,000.29	66,700.33	81,450.28	93,667.83
Cash inflow									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	9,176.00	6,882.00	8,929.91	6,697.43	7,612.55	5,709.41	7,401.03	5,550.77
11	Other cash inflow	-	-	-	-	-	-	-	-
12	TOTAL CASH INFLOWS	9,176.00	6,882.00	8,929.91	6,697.43	7,612.55	5,709.41	7,401.03	5,550.77

			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	TOTAL HQLA		161,369.33		51,436.00		35,811.33		82,059.00
14	TOTAL NET CASH OUTFLOWS		103,764.67		58,346.48		60,990.92		88,117.05
15	REQUIRED LIQUIDITY COVERAGE RATIO (%)		50.00%		50.00%		53.33%		60.00%
16	LIQUIDITY COVERAGE RATIO (%) maintained		155.51%		88.16%		58.72%		93.12%

-Components of HQLA need to be disclosed

For average, month end observation during each quarter for FY2021-22 has been considered

Company is required to maintain the LCR at 50% upto 30 November 2021 and from 1st December 2021 onwards LCR at 60% level and hence average of this has been mentioned under Q3FY2021-22 as required LCR

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC INDIA FINANCIAL SERVICES LIMITED

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Standalone Annual Audited Financial Results

(₹ in lakhs)

I.	Sl. No.	Particulars	Audited Figures for the year ended March 31, 2022 (as reported before adjusting for qualifications)	Audited Figures for the year ended March 31, 2022 (as reported after adjusting for qualifications)
	1	Turnover / Total income	96,873.82	96,873.82
	2	Total Expenditure	79,482.60	79,482.60
	3	Net Profit/(Loss)	12,998.48	12,998.48
	4	Earnings Per Share	2.02	2.02
	5	Total Assets	951,633.00	951,633.00
	6	Total Liabilities	725,245.71	725,245.71
	7	Net Worth	226,387.29	226,387.29
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:** Please refer to the accompanying Independent Auditor's Report on Standalone (UDIN: 22505676BDFUXQ2464) Results dated November 16, 2022.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** First time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:** Not quantifiable, see note below.

(ii) **If management is unable to estimate the impact, reasons for the same:** Forensic auditor has not quantified.

a. (iii) **Auditors' Comments on (i) or (ii) above:** Please refer 'Basis of qualified opinion' included in the accompanying Independent Auditor's Report on Standalone (UDIN: 22505676BDFUXQ2464) Results dated November 16, 2022.

III. **Signatories:**

PAWAN SINGH Digitally signed by PAWAN SINGH Date: 2022.11.16 15:50:44 +05'30'

CEO/Managing Director (Dr. Pawan Singh)

Chief Financial Officer (Sanjay Rustagi)

Audit Committee Chairman (Jayant P Gokhale) Jayant Purushottam Gokhale

Statutory Auditor (Rahul Aggarwal) RAHUL AGGARWAL

Place: New Delhi

November 16, 2022

INDEPENDENT AUDITOR'S REPORT
To The Members of
PTC India Financial Services Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of PTC India Financial Services Limited (hereinafter referred to as the "Company") and its associates which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company and its associates, as at March 31, 2022, consolidated total comprehensive income (comprising of profits and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

On January 19, 2022, three independent directors of the Company resigned mentioning lapses in governance and compliance. The Company, basis directions of the audit committee in its meeting held on April 26, 2022, appointed an independent firm (the "Forensic auditor"), vide engagement letter dated July 18, 2022, to undertake a forensic audit in relation to the allegations raised by ex-Independent directors.

On November 4, 2022, the Forensic auditor submitted its final report to the Company which included, in addition to other observations, instances of modification of critical sanction terms post sanction approval from the Board, non-compliance with pre-disbursement conditions, disbursements made for clearing overdues (evergreening), disproportionate disbursement of funds and delayed presentation of critical information to the Board. The Company's management has appointed a professional services firm (the "External Consultant") to assist the management in responding to such observations and subsequently, also obtained a legal opinion contesting certain matters with respect to the contents, including matters highlighted as evergreening in the Forensic audit report, and approach adopted by the Forensic Auditor. Accordingly, the management, has rebutted the observations made by the Forensic auditor and has confirmed that, in their view, there is no additional impact on the Company's consolidated financial statements for financial year 2021-22 and that there are no indications of any fraud or suspected fraud. The Company has uploaded Forensic audit report, the management's responses, report from External Consultant and legal opinion on the website of stock exchanges.

In the adjourned audit committee meeting held on Nov 13, 2022, the committee considered the Forensic audit report and management's responses thereon and accepted the findings in the report, by majority but with dissent of two directors out of five directors. We have been informed about the discussions held in the meeting and reasons for dissent expressed by two directors as set out in the Company's communication to us dated November 15, 2022, as attached in Annexure A accompanying our report.

In the board meeting held on November 13, 2022, the board of directors of the Company (with the absence of Chairperson of the Audit Committee in the meeting, who recorded a dissent on the matters being discussed in his absence) considered the Forensic audit report, Management's responses, Report of External Consultant and legal opinions. We have been informed about the observations and views expressed in the meeting as set out in the Company's communication to us dated November 16, 2022, as attached in Annexure B accompanying our report.

Due to resignation of the former independent directors, the Company has not complied with the various provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to constitution of committees and sub-committees of the Board, timely conduct of their meetings and filing of annual and quarterly results with respective authorities. The Company intends to file for condonation of delay for non-compliance of such provisions with respective authorities. The Company has also not finalized the minutes of audit committee meetings held since November 9, 2021, which results in non-compliance with applicable provisions. (Refer Note 55(c) of the Consolidated Financial Statements)

In light of the constraints and limitations highlighted by the Forensic auditor while preparing the Forensic audit report and as also noted by the Audit Committee, several concerns raised therein as described in the second paragraph above (including observations around evergreening) and lack of specific procedures and conclusions thereon, divergent views among directors regarding forensic audit report (as further detailed in Annexure A and B, accompanying our report), we are unable to satisfy ourselves in relation to the extent of forensic audit procedures and conclusion thereon, including remediation of the additional concerns raised therein.

Considering the above and indeterminate impact of potential fines and/ or penalties due to non-compliance of various provisions as mentioned above, we are unable to obtain sufficient and appropriate audit evidence to determine the extent of adjustments, if any, that may be required to the consolidated financial statements for the year ended March 31, 2022.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountant of India ("ICAI") and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

1. SEBI vide its email dated March 2, 2022, did not accede the Company's request for conducting Board Meeting without an independent director. Subsequent to this, with recommendation of the Holding Company, the Company appointed four independent directors through circular resolution who have been also the independent directors on the Board of PTC India Limited (the "Holding Company"). The Company, basis email from SEBI acknowledging Company's email which summarised the mode of appointment of these directors through circular resolution and opinion received from external legal firm, believes that there is no non-compliance with SEBI's directions vide its email dated March 2, 2022. (Refer Note 55(b) of the Consolidated Financial Statements)

2. The Company had received a communication from ROC on March 28, 2018, pursuant to complaints received from identified third parties,

alleging mismanagement in the Company's operations. The Company had submitted a reply dated April 18, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. On September 24, 2021, the Company received another notice from ROC u/s 206(4) of the Companies Act, 2013, pursuant to its previous communication in 2017-18 and reference to complaints received by them in 2017-18, seeking further information on certain matters including details about erosion of investments made in associate companies and actions taken by the management including other details and details about NPA accounts. While the Company responded to this notice on October 22, 2021 and no further intimation from ROC has been received till date, the Company does not expect any action by ROC on this matter. (Refer Note 57 of the Consolidated Financial Statements)

3. In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from Resolution Professional for loan assets under IBC proceedings or otherwise, one time settlement (OTS) proposal, asset value as per latest available financials of the borrowers with appropriate haircut as per ECL policy). The Company expects to recover the net carrying value of these assets, basis assessment of current facts and ECL methodology which factors in future economic conditions as well. However, the eventual recovery from these loans may be different from those estimated as on the date of approval of these consolidated financial statements. (Refer Note 56 of the Consolidated Financial Statements)

4. As at March 31, 2022, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date. (Refer Note 58 of the Consolidated Financial Statements)

5. We have been informed by the Company that RBI's officials visited the premises of the Company in May 2022 and reviewed few documents, in context of allegations made by former Independent directors of the Company. The management has represented that while the Company has satisfactorily responded to queries of officials, no formal response has come from RBI, so far, in this regard. (Refer Note 55(a) of the Consolidated Financial Statements)

Our opinion is not modified in respect of these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's Statement, Director's Report etc but does not include the consolidated financial statements and our auditor's report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The other information has not been shared with us upto the date of this report and therefore, at this stage, we have nothing to report in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Expected Credit Losses (ECL) model** As described in the notes to the consolidated financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included: • Determining the criteria for a significant increase in credit risk (`SICR')  • Techniques used to determine the Probability of Default (TD') and Loss Given Default (`LGD') • Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows etc. Refer Notes 2 (g), 2 (q), 7 and 44A.2 to the consolidated financial statements.	<u>Audit Procedures</u> We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards and prudential norms laid down by RBI. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the impairment reserve, internal credit quality assessments, external credit ratings and methodology followed for computation of ECL. • For Expected Credit Losses computed by the management, we performed the following procedures: (a) Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection; (b) Examined the key data inputs (valuation of collateral, the timing of cash flows and realisations) to the ECL model on a sample basis to assess their accuracy and completeness; (c) Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk. (d) Assessed the Company's methodology for ECL provisioning, Classification and Measurement with the assistance of our internal experts; (e) Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.

2	**Impairment of loans to customers** Allowance for impairment losses on loans to customers involves significant judgement by management to determine the timing and amount of the asset to be impaired. Refer Notes 2 (g), 2 (q), 7 and 44A.2 to the consolidated financial statements	<u>Audit Procedures</u> We assessed the appropriateness of the Company's impairment review and provisioning policy by comparing with the RBI prudential norms and applicable accounting standards; Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and operating effectiveness of the relevant controls over the impairment assessments and impairment allowance computations for loans and advances to customers. • We tested the management assumptions, estimates and judgements, which could give rise to material misstatement: a. The completeness and timing of recognition of loss events; b. The measurement of provisions for individual instances of loans which is dependent on the valuation of security provided and the collaterals against each loan, the timing of cash flows and realisations; c. We discussed with management and scrutinised the appropriateness of those key assumptions applied in management's impairment assessment, and compared them with available external evidence where necessary. d. The measurement of modelled provisions, which is dependent upon key assumptions relating to probability of default, loss given default and expected future recoveries; e. Performed procedures to obtain comfort on the accuracy of the impairment calculation process through recalculation of the provision charge based on inputs; Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.
3	**Evaluation of uncertain tax positions for Income taxes** The Company has material uncertain tax positions relating to matters under litigation for Income taxes. These matters involve significant management judgement to determine the possible outcome of disputes. Refer Note 2 (j), 2 (q) and 34 to the consolidated financial statements.	<u>Principal Audit Procedures</u> We obtained details of completed income tax assessments during the year ended March 31, 2022 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income taxes. Additionally, we considered the effect of new information in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and of its associates, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and of its associates respectively, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associates are responsible for overseeing the financial reporting process of the Company and of its associates respectively.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards of Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure C" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

Attention is invited to Note 62(b) of the consolidated financial statements, which sets out the position regarding two Associates of the Company for which neither audited nor management accounts for the financial year ended March 31, 2022 were available with the Company for the consolidation purposes.

However, since the Company had fully provided for diminution in investment held in these two associates in prior years and the Company does not have any further obligation over and above the cost of the investments, in view of the management there is no impact thereof on these consolidated financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure D (to the extent applicable)" , based on our audit of the Company (in the absence of availability of audit reports of the two associates referred to in 'Other Matters' paragraph above, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

2. As required by Section 143(3) of the Act, based on our audit of the Company (in the absence of availability of audit reports of the two associates referred to in 'Other Matters' paragraph above) we report, to the extent applicable, that:

   a. We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. Except for the effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules,2014.

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company, none of the directors of the Company are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure E" which is based on the auditors' reports of the Company. Our report expresses a qualified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company– Refer Note 52 to the consolidated financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv.

         (1) The Management of the Company has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) / entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary have, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

         (2) The Management of the Company has represented that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) / entity(ies), including foreign entities, that the Company has directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

         (3) Based on such audit procedures as considered reasonable and appropriate in the circumstances, except for the possible effect of matters described in the Basis of Qualified Opinion section above, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(1) and iv(2) contain any material misstatement.

      v. The Company has neither declared nor paid any dividend during the year.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: UDIN: 22505676BDGYYB4597

Place: Gurugram
Date: November 16, 2022

Annexure A

1. **Resolution as agreed by (adjourned) Audit Committee in meeting dated: 13th November, 2022 and confirmed by all members.**

"It is noted that the Forensic Auditor has given his findings in the Final Forensic Audit Report submitted by him on 4th November 2022. It is also noted that the forensic auditor has concluded that the findings as given by him in the draft report are not significantly altered by the explanations given by the management. The Audit Committee discussed these findings in reasonable detail and noted that the audit committee can go into even further detail in giving its observations on the forensic audit report. However as emphasized repeatedly by the management, considering the urgency of adoption of the annual accounts for the year ended March 22, it is felt that the significant and salient aspects of the forensic audit report have been brought out in the discussion and also the statutory auditor, who was present as an invitee during this discussion has taken note of these observations and examined the report of the forensic auditor in complete detail. Therefore, at this stage, the audit committee decides not to go into a further detailed discussion of the contents of the forensic audit report, its findings and conclusions in light of the priorities mentioned by the management. Accordingly, the audit committee takes on record Final Forensic Audit Report submitted by CNK & Associates LLP and thanks them for their services. After this discussion it was resolved that:-

The audit committee accepts findings of the forensic auditor as given in the Final Forensic Audit Report. The committee recommends them to the Board for appropriate follow up action. The Committee notes the constraints and scope limitations operating on the forensic auditor, which find mention in the Forensic Audit Report and that but for such limitations the forensic auditor would probably have been able to give even more specific findings. The Committee has also taken note of the responses given by the management. The Committee also notes that an external agency was appointed by the management to act as advisors to the management in responding to the findings given by the forensic auditor. It is noted that the views expressed by the said advisors contain many reservations, disclaimers and limitations. Some of the salient disclaimers are mentioned in the email dt 8th Oct 22 sent by the Chairman of the Committee to the board members. It is seen that the advisors state that they have relied on the *justification provided by the management*; and *it is possible that there are factual inaccuracies where we have not been provided with the complete picture/information/documentation on a particular matter by the process owners.* In turn the management states that it has relied upon the consultant's findings to prepare their response to the forensic audit report. The audit committee therefore has given limited weightage to the recommendations of the consultant. The committee also notes that the statutory auditor assures that all significant aspects of the forensic audit report have been taken into consideration by them and further, that these aspects have been taken into consideration in auditing the financial results for the year ended March 22, and that appropriate modifications based on these findings have been suitably incorporated in their reports.

The above resolution was proposed by the Chairman (D1) and approved of by D4 & D5.

D2 expressed his dissent stating that in addition to the other points as mentioned by him during the course of discussions, he did not agree with the concept of evergreening as interpreted / applied by the forensic auditor. He also felt that the forensic auditor had been selective in the presentation of certain facts and also, he was not in agreement with the findings given by the forensic auditor in regard to Shri Ratnesh and related matters. He was not in agreement with scope limitation or constraints mentioned by Forensic Auditor. The Forensic Auditor has not done weekly discussions with the management as stipulated in the engagement letter, which is legally binding on him. He also pointed out that the limitations mentioned in the Advisor's Report should be read in full, not selectively and the limitations as expressed are as per generally accepted norms.

D3 recorded his dissent on the basis of numerous issues mentioned by him in the course of earlier discussion including all the points specifically stated by D2. Further, Advisors has clarified that the facts mentioned in their note were based on independent review of supporting documents in relation to reply submitted by PFS. Thus, it was their independent assessment.

Basis the above, the Resolution was adopted and passed with a majority of 3 against 2 dissents."

This is issued on specific requirement of Statutory Auditors and above resolution was passed during the meeting and minutes will be finalised shortly.

Sd/-	**Sd/-**
(Dr. Pawan Singh)	(Mohit Seth)
MD&CEO	Acting CS

Annexure B

2. **Resolution as agreed by Board Meeting dated: 13th November, 2022 and confirmed by all members present in the meeting (except one Director -Audit committee chairman who was not present in the meeting)**

The Board considered the forensic audit report of CNK along with management replies, E&Y remarks, legal opinion by Former CJI, legal opinion of CAM and Former Director (Finance) of PFC. The Board noted that the Audit Committee considered the forensic audit report of CNK on 11, 12 and 13th Nov and accepted the report by majority (3:2). The Board deliberated the report and observed that;

i. CNK report is that CNK has not identified any event having material impact on the financials of the Company. Hence not quantified.

ii. CNK has not identified any instance of fraud and diversion of funds by the company.

iii. Procedural / operational issues identified by CNK needs to dealt with expeditiously.

iv. The Issue related to Mr. Ratnesh has already been examined by RMC committee of PTC (Holding Company) and approved by Board of PTC India. The report is already submitted to the regulators.

The Company has already complied by SEBI (LODR) by submitting the same to Stock Exchanges along with management comments and E&Y remarks. The management is directed to submit the report of Forensic Audit with management comments, E&Y remarks, legal opinion by Former CJI, legal opinion of CAM and former Director (Finance) of PFC and this Board resolution to SEBI.

The Board is of the view that recommendation of E&Y may be obtained by management to strengthen the business processes & operational issues and submit to the Board at the earliest.

This is issued on specific requirement of Statutory Auditors and above resolution was passed during the meeting and minutes will be finalised shortly.

Sd/-
(Mohit Seth)
Acting CS
16/11/2022

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PTC IINDIA FINANCIAL SERVICES LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 22505676BDGYYB4597

Place: Gurugram
Date: November 16, 2022

ANNEXURE D TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. As required by paragraph 3(xxi) of the CARO 2020, we reported following mattersin our auditors' report on the standalone financial statements of the Company (CIN: L65999DL2006PLC153373) vide our report dated November 16, 2022:

Paragraph number and comment in the respective CARO report reproduced below

Paragraph no. iii(b)

Based on our examination and the information and explanations given to us, except for the possible effect of the matters described in the Basis of Qualified Opinion section of our main report, in respect of the loans granted, investments made and guarantees provided (letter of comfort), in our opinion, the terms and conditions under which such loans and guarantees provided are not prejudicial to the interest of the Company.

Paragraph no. iii(c)

In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of infrastructure finance lending, the borrower-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the possible effect of the matters described in the Basis of Qualified Opinion section of our main report, while there are delays, the parties are generally regular in repaying the principal amounts, as stipulated, and interest, as applicable and wherever the amounts are overdue as at March 31, 2022, the Company has evaluated and recognized provisions, if necessary, in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 46 to the standalone financial statements).

Paragraph no. xi(a)

During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year except:

I. the possible effect of the matters described in the Basis for Qualified Opinion section of our main report;

II. Following matters have been reported by the Company to the Reserve Bank of India (RBI) during the year:

- NSL Nagapatnam – The Company has loan recoverable from NSL Nagapatnam amounting to Rs. 12,500lakhs as at March 31, 2022. The underlying project has been referred for resolution under IBC proceedings, wherein the Company is also the party. Basis facts of the case, during the year, the Board has reviewed and directed the management to report this loan as "suspected fraud" to RBI basis report of the forensic auditor, appointed by the Company to investigate the borrower's books and accounts, wherein such auditor couldn't verify the transactions within group entities and therefore, the report remains inconclusive. We have been informed that, vide its letter dated August 12, 2021, the Company sent a letter to RBI explaining all facts of the matter. In the previous year, the Company had accrued 100% provision for ECL against the outstanding balance and therefore, net balance (net off provision for ECL) is NIL as at March 31, 2022.

- ILFS – The Company has loan recoverable from ILFS, Tamil Nadu amounting to Rs. 23,069.47 lakhs (including accrued interest amounting to Rs. 4,685.29 lakhs) as at March 31, 2022, with corresponding provision for ECL amounting to Rs. 9,400.16 lakhs as at March 31, 2022. The Company has also recognized Rs. 13,669.31 lakhs in Impairment Reserve as at March 31, 2022 related to this matter. On Feb 4, 2022, the Company reported this account as "Fraud" in FMR 1 to RBI basis position taken by other lenders in the consortium. Basis forensic audit report from the Forensic auditor appointed by the consortium, the nature of fraud primarily comprises of diversion and misappropriation of borrowed funds, routing of sales proceeds with accounts maintained with non-lender banks and availing services from vendors at higher prices compared to quotes available with the borrower.

Paragraph no. xi(b)

We are in the process of filing a letter with the Central Government in relation to inter alia matters included in the Basis of Qualified opinion para of our main report. This is not a filing in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014.

Paragraph no. xi(c)

As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to Company. However, we draw your attention to the resignation letters from former Independent directors as set out in the basis of Qualified Opinion section of our main report.

Paragraph no. xiii

According to the information and explanations given to us and based on our examination of the records of the Company, except for the possible effect of the matters included in the Basis of Qualified Opinion section of our main report, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

Paragraph no. xviii

There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company. However, vide our letter dated June 30, 2022, read with our email dated May 14, 2022, to the Company, we have sent our intimation for proposed resignation as statutory auditors of the Company after completion of our responsibilities as statutory auditors for the year ended March 31, 2022.

Paragraph no. xix

According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, except of the possible effect of the matters described in Basis of Qualified Opinion section of our main report, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of this audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/–
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 22505676BDGYYB4597

Place: Gurugram
Date: November 16, 2022

ANNEXURE E TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of PTC India Financial Services Limited on the Financial Statements for the year ended March 31, 2022.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Qualified Opinion

We have audited the internal financial controls over financial reporting of PTC India Financial Services Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Company and its associates as of and for the year ended on that date. Since the auditors' reports of associates are not available, we are unable to comment on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting under section 143(3)(i) of the Act in respect of these associates.

In our opinion, and to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described in the Basis of qualified opinion below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2022, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI").

We have considered the above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company for the year ended March 31, 2022, and it affects our opinion on the consolidated financial statements of the Company for the year ended on that date and we have issued qualified opinion on the consolidated financial statements. Refer Qualified Opinion para of our main audit report.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, we draw your attention to the following:

1. Matters described in the Basis of Qualified Opinion section of our main report including matters relating to divergent views among directors regarding forensic audit report, constraints and limitations highlighted by the Forensic auditor while preparing the Forensic audit report as also noted by the Audit Committee, several concerns raised therein (including the observations around evergreening) and lack of specific procedures and conclusions thereon; and

2. The Board, at its meeting held on November 13, 2022, gave certain directions to expeditiously address the operational issues identified by the Forensic auditor, including on obtaining recommendations from the External Consultant for strengthening the business processes and operational issues (as fully detailed in Annexure B). We understand that these steps are yet to be taken by the management.

Pending conclusion of these matters, we are unable to determine their impact on the design and operating effectiveness of internal financial controls over financial reporting, including entity level controls, as at March 31, 2022.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Company.

Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/–
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 22505676BDGYYB4597

Place: Gurugram
Date: November 16, 2022

PTC India Financial Services Limited
Consolidated Balance Sheet as at March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

		Notes	As at March 31, 2022	As at March 31, 2021
A	**ASSETS**			
1	**Financial assets**			
a.	Cash and cash equivalents	3	33,800.21	48,940.12
b.	Bank balance other than (a) above	4	61,903.66	36,519.90
c.	Derivative financial instruments	5	1,008.45	1,127.65
d.	Trade receivables	6	110.62	376.86
e.	Loans	7	805,931.43	996,110.63
f.	Investments	8	35,002.62	37,330.01
g.	Other financial assets	9	81.65	62.49
			937,838.64	**1,120,467.66**
2	**Non-financial assets**			
a.	Current tax assets (net)	10	9,385.73	22,815.17
b.	Deferred tax assets (net)	11	3,159.44	7,712.35
c.	Property, Plant and Equipment	12	827.68	876.88
d.	Right of use-Buildings	12	315.84	735.09
e.	Other Intangible asset	13	14.25	16.07
f.	Other non-financial assets	14	91.42	584.34
			13,794.36	**32,739.90**
	TOTAL ASSETS		**951,633.00**	**1,153,207.56**
B	**LIABILITIES AND EQUITY**			
	LIABILITIES			
3	Financial liabilities			
a.	Trade Payables			
	(i) total outstanding dues to micro and small enterprises	15	2.23	13.75
	(ii) total outstanding dues of creditors other than micro and small enterprises		174.08	275.64
b.	Debt securities	16	12,622.01	63,608.80
c.	Borrowings (Other than debt securities)	17	699,128.63	852,969.14
d.	Lease liability	17	387.54	841.78
e.	Other financial liabilities	18	12,675.40	22,831.52
			724,989.89	**940,540.63**
4	**Non-financial liabilities**			
a.	Provisions	19	246.80	454.63
b.	Other non-financial liabilities	20	9.02	261.87
			255.82	**716.50**
5	**EQUITY**			
a.	Equity share capital	21	64,228.33	64,228.33
b.	Other equity	22	162,158.96	147,722.10
			226,387.29	**211,950.43**
	TOTAL LIABILITIES and EQUITY		**951,633.00**	**1,153,207.56**
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the consolidated financial statements	3-65		

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

		Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Income**			
	a. Revenue from operations			
	(i) Interest income	23	92,468.91	110,524.54
	(ii) Fee and commission income	24	2,468.88	2,183.66
	(iii) Sale of power		350.00	348.98
	b. Other income	25	1,586.03	887.77
	Total revenue (a+b)		**96,873.82**	**113,944.95**
2	**Expenses**			
	a. Finance costs	26	57,976.86	75,150.23
	b. Fees and commission expense	27	170.47	148.02
	c. Net loss on fair value changes	28	349.93	358.55
	d. Impairment on financial instruments	29	16,785.54	23,184.24
	e. Employees benefit expenses	30	1,892.97	1,674.33
	f. Depreciation and amortisation expense	31	607.17	595.43
	g. Other expenses	32	1,699.66	3,492.39
	Total expenses (a+b+c+d+e+f+g)		**79,482.60**	**104,603.19**
3	**Profit before tax, share of net profits of investments accounted for using equity method (1-2)**		**17,391.22**	**9,341.76**
4	**Share of net profit of associated accounted for using equity method**	65	-	-
5	**Profit before tax (3-4)**		**17,391.22**	**9,341.76**
6	**Tax expense**			
	a. Current tax	33	4.05	1,852.83
	b. Deferred tax charge/(benefits)	33	4,388.69	4,928.62
	Total tax expense		**4,392.74**	**6,781.45**
7	**Profit for the year (5-6)**		**12,998.48**	**2,560.31**
8	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement gain on defined benefit plans		55.05	15.82
	Income tax relating to remeasurement loss on defined benefit plans	11	(13.85)	(3.98)
	b. Equity instruments through other comprehensive income		1,220.76	(674.67)
	Income tax relating to FVTOCI to equity investments		(307.24)	-
	Deferred tax benefits/(charge) relating to FVTOCI to equity investment	11	(117.88)	117.88
			836.84	**(544.95)**
	Items that will be reclassified to profit or loss			
	a. Change in cash flow hedge reserve		129.10	(74.78)
	Income tax relating to cash flow hedge reserve	11	(32.49)	(37.30)
			96.61	**(112.08)**
	Other comprehensive income/(expense) for the year		**933.45**	**(657.03)**
9	**Total comprehensive profit for the year (7+8)**		**13,931.93**	**1,903.28**
	Earnings per equity share:			
	Basic and diluted	47	2.02	0.40
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the consolidated financial statements	3-65		

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited
Consolidated Statement of Cash Flow for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31, March 2022	For the year ended 31 March 2021
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit after tax	12,998.48	2,560.31
	Adjustments for:		
	Depreciation and amortisation expenses	607.17	595.43
	Impairment on financial instruments	16,785.54	23,184.24
	Provision on capital advances	-	1,038.85
	(Gain)/ Loss on sale of property, plant and equipment	(0.08)	0.61
	Finance costs	57,976.86	75,150.23
	Fees and commission expense	170.47	148.02
	Net (Gain)/ Loss on fair value changes	349.93	358.55
	Tax expense	4,392.74	6,781.45
	Operating profit before working capital changes	**93,281.11**	**109,817.69**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loan financing	173,372.97	17,632.21
	Other loans	5.69	(3.94)
	Other financial assets	(19.16)	42.50
	Other non- financial assets	492.92	65.69
	Trade receivables	266.24	(17.53)
	Adjustments for increase / (decrease) in operating liabilities:		
	Other financial liabilities	(7,859.04)	(694.51)
	Provisions	(152.78)	8.27
	Trade payables	(113.08)	(375.68)
	Other non- financial liabilities	(252.85)	(69.52)
	Cash flow from operating activities post working capital changes	**259,022.02**	**126,405.18**
	Income- tax paid	13,118.15	4,698.70
	Net cash flow from operating activities (A)	**272,140.17**	**131,103.88**
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Capital expenditure on property, plant and equipment, including capital advances	(147.04)	(18.47)
	Proceeds from sale of property, plant and equipment	14.98	1.02
	Purchase of intangible assets	(4.76)	(16.76)
	Proceeds Investment in term deposits	(18,796.58)	(13,946.40)
	Purchase of investments	(1,476.04)	(4,546.62)
	Proceeds from sale/ redemption of investments	5,033.05	2,321.14
	Net cash used in investing activities (B)	**(15,376.39)**	**(16,206.09)**
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from borrowings	571,852.62	161,869.72
	Repayment of borrowings	(725,438.37)	(192,280.37)
	Repayment of lease liability	(454.24)	(386.78)
	Proceeds from debt securities	-	29,474.58
	Repayment of debt securities	(51,017.13)	(7,217.82)
	Finance costs	(66,846.57)	(76,844.72)
	Dividend paid	-	(2,890.28)
	Net cash flow from financing activities (C)	**(271,903.69)**	**(88,275.67)**
	Increase in cash and cash equivalents (A+B+C)	**(15,139.91)**	**26,622.12**
	Cash and cash equivalents at the beginning of the year	48,940.12	22,318.00
	Cash and cash equivalents at the end of the year	**33,800.21**	**48,940.12**

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Summary of significant accounting policies 2

See accompanying notes forming part of the consolidated financial statements 3-65

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited
Consolidated Statement of changes in equity for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

A	Equity Share Capital:	No. of Shares	Amount
	Equity Shares of Rs. 10 each, Issued, Subscribed and Fully Paid-up:		
	As at April 1, 2020	**642,283,335**	**64,228.33**
	Issued during the year	-	-
	As at March 31, 2021	**642,283,335**	**64,228.33**
	Issued during the year	-	-
	As at March 31, 2022	**642,283,335**	**64,228.33**

B Other Equity:

	Reserves and Surplus						Other comprehensive income		Total
	Securities Premium Reserve	Statutory Reserve	Special Reserve	Impairment Reserve	Foreign currency monetary items translation difference account	Retained Earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
As at April 1, 2020	**61,280.57**	**35,062.51**	**29,699.78**	**5,768.65**	**(2,268.98)**	**36,225.63**	**(18,140.97)**	**(373.46)**	147,253.73
Add: Profit for the year	-	-	-	-	-	2,560.31	-	-	2,560.31
Add / (Less): Other comprehensive income	-	-	-	-	-	11.84	(556.79)	(112.08)	(657.03)
Total Comprehensive Income	-	-	-	-	-	**2,572.15**	**(556.79)**	**(112.08)**	**1,903.28**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	512.06	4,750.00	-	-	(5,262.06)	-	-	-
Transfer from reserve for equity instruments through other comprehensive income	-	-	-	6,928.33	-	(6,928.33)	-	-	-
Transactions with owners in their capacity as owners:									
Dividends	-	-	-	-	-	(2,890.28)	-	-	(2,890.28)
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	409.70	-	-	-	409.70
Amortisation for the year	-	-	-	-	1,045.67	-	-	-	1,045.67
As at March 31, 2021	**61,280.57**	**35,574.57**	**34,449.78**	**12,696.98**	**(813.61)**	**23,717.11**	**(18,697.76)**	**(485.54)**	**147,722.10**
As at April 1, 2021	**61,280.57**	**35,574.57**	**34,449.78**	**12,696.98**	**(813.61)**	**23,717.11**	**(18,697.76)**	**(485.54)**	**147,722.10**
Add: Profit for the year	-	-	-	-	-	12,998.48	-	-	12,998.48
Add / (Less): Other comprehensive income	-	-	-	-	-	41.20	795.64	96.61	933.45
Total Comprehensive Income	-	-	-	-	-	**13,039.68**	**795.64**	**96.61**	**13,931.93**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	2,599.70	-	-	-	(2,599.70)	-	-	-
Less: Transfer to Impairment Reserve	-	-	-	14,674.38	-	(14,674.38)	-	-	-
Transactions with owners in their capacity as owners:									-
Dividends	-	-	-	-	-	-	-	-	-
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	(120.41)	-	-	-	(120.41)
Amortisation for the year	-	-	-	-	625.34	-	-	-	625.34
As at March 31, 2022	**61,280.57**	**38,174.27**	**34,449.78**	**27,371.36**	**(308.68)**	**19,482.71**	**(17,902.12)**	**(388.93)**	**162,158.96**

Summary of significant accounting policies 2
See accompanying notes forming part of the consolidated financial statements 3-65

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC India Financial Services Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

1. Company overview/Corporate information

PTC India Financial Services Limited ("PFS") is a registered Non-banking finance company (NBFC) with Reserve Bank of India (RBI) 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 road infrastructure projects and power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

The Company's registered office and principal place of business is situated at 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi - 110066. The shares of the Company are listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange.

The standalone and consolidated financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on November 15, 2022

1A. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statement.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written-down method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. Asset costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over a period of 5 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

c) Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

Fee & Commission income

Income from business correspondent services is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

d) Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

e) Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Compensation for impairment

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in statement of profit and loss when the compensation becomes receivable.

g) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

The Company considers various factors while considering the recoverability of credit impaired advances. These include nature and value of assets, different resolution channels, interest of potential buyers etc. Considering the typical nature of advances given by the Company, there is significant uncertainty and variability in timing of resolution of these advances. In reference to RBI's prudential norms, the Company does not recognize interest income on these advances on a conservative basis, and the provisioning is considered using current estimate of realization.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

i) Equity investment in associates

Investments representing equity interest in associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

j) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

k) Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

For leases entered into as a lessee

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company does not have any leases as a lessor.

l) **Financial instruments**

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. **Investments in Security Receipts** – Investments in security receipts are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial and subsequent measurement

The Company uses derivative financial instruments to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

o) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

p) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

q) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant management estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

r) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2022.

PTC India Financial Services Limited
Notes to the consolidated financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwuse stated)

3	Cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
	Cash on hand	0.18	0.11
	Balances with banks:		
	- in current accounts	33,800.03	17,226.36
	- in deposit accounts with original maturity of less than three months	-	31,713.65
		33,800.21	**48,940.12**

4	Bank balance other than (note 3) above	As at March 31, 2022	As at March 31, 2021
	Balances with banks-		
	- in earmarked accounts		
	i. Unclaimed interest on debentures and bonds	8,660.49	2,065.93
	ii. Unclaimed dividend	58.95	66.33
	- in deposit accounts with original maturity of more than three months	53,184.22	34,387.64
		61,903.66	**36,519.90**

5 **Derivative financial instruments**

The Company enters into derivative transcations for risk management purposes. The Company has various derivative (i.e. cross currency interest rate swaps, call spread and cap spread options) contract which are entered into as an economic hedge for foreign currency and interest rate risks of the Company. The Company has designated cross currency swap contracts under cash flow hedge relationship and hedge accounting has been done. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

	As at March 31, 2022			As at March 31, 2021		
Particulars	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**
Currency derivatives						
- Currency and interest rate swaps	7,115.63	636.05	-	8,764.94	338.40	-
- Call spread option	5,930.02	372.42	0.02	13,577.96	789.27	0.02
- Cap spread option						
Total derivatives	**13,045.65**	**1,008.47**	**0.02**	**22,342.90**	**1,127.67**	**0.02**
Included in above are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
- Currency and interest rate swaps	7,115.63	636.05	-	8,764.94	338.40	-
Undesignated derivatives	**5,930.02**	**372.42**	**0.02**	**12,347.79**	**789.27**	**0.02**
Total derivative financial instruments	**13,045.65**	**1,008.47**	**0.02**	**21,112.73**	**1,127.67**	**0.02**

5.1 **Hedging activities and derivatives**

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. Currency and interest rate swap contract meets the hedge accounting criteria as per Ind AS109 and has been accounted as cash flow hedge. The Company has designated this contract in cash flow hedge relationship from January 1, 2019.

(a) Disclosure of effects of hedge accounting on financial performance

For the year ended March 31, 2022

Type of hedge and risks	**Change in the value of hedging instrument gain/ (loss)**	**Hedge ineffectiveness recognised in statement of profit or loss**	**Amount reclassified from cash flow hedging reserve to profit or loss**	**Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness**
Cash flow hedge Foreign currency and interest rate risk (i) Currency and interest rate swap	56.79	72.31	129.10	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

For the year ended March 31, 2021

Type of hedge and risks	**Change in the value of hedging instrument gain/ (loss)**	**Hedge ineffectiveness recognised in statement of profit or loss**	**Amount reclassified from cash flow hedging reserve to profit or loss**	**Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness**
Cash flow hedge Foreign currency and interest rate risk (i) Currency and interest rate swap	(890.10)	815.32	(74.78)	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For derivative contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. currency and interest rate swap contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. foreign currency loan. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of foreign currency loan. The fair value of actual and hypothetical derivatives are represented by mark to market valuation obtained by the Company from the respective authorised dealers.

(b) Movements in cash flow hedging reserve

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Opening balance	**(485.54)**	**(373.46)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	56.79	(890.10)
Less: Amount reclassified to profit or loss	72.31	815.32
Less: Deferred tax relating to above (net)	(32.49)	(37.30)
Closing balance	**(388.93)**	**(485.54)**

5.2 **Derivatives not designated as hedging instruments**

The Company uses currency and interest rate swaps and Call and Cap spread options to manage its interest rate risk and currency risk arising from USD denominated borrowings. The currency and interest rate call and cap spread options are not designated in a hedging relationship and valued based on the mark to market valuation received from the authorised dealers. The change in fair value of these contracts (mark to market) has been recognised in the Statement of Profit or Loss.

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Trade receivables	**As at March 31, 2022**	**As at March 31, 2021**
Trade receivables	-	-
Secured, considered good	110.62	376.86
Unsecured, considered good	-	-
Trade receivables which have significant increase in credit risk	37.37	37.37
Credit impaired	**147.99**	**414.23**
	37.37	37.37
Less: Allowance for impairment loss allowance	**110.62**	**376.86**

(i) All amounts are short-term. The net carrying amount of trade receivables is considered a reasonable approximation of their fair value.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivable ageing is as follows :

Particulars	As at 31 March 2022							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	17.73	-	54.98	11.92	11.21	0.44	14.34	110.62
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	8.04	19.81	9.52	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

Trade Receivable ageing is as follows :

Particulars	As at 31 March 2021							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	11.73	-	344.39	14.19	0.26	6.29	-	376.86
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	19.81	11.71	5.85	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

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Loans	**As at March 31, 2022**	**As at March 31, 2021**
At amortised cost		
(i) Term loans*		
a) Loans Receivables considered good – Secured;	678,428.01	832,951.49
b) Loans Receivables considered good – Unsecured;	-	-
c) Loans Receivables which have significant increase in credit risk and	68,914.93	91,349.19
d) Loans Receivables – credit impaired.	105,194.40	134,638.02
(ii) Loans to employees		
a) Loans Receivables considered good – Secured;	30.40	35.22
b) Loans Receivables considered good – Unsecured;	2.33	3.20
c) Loans Receivables which have significant increase in credit risk and	-	-
d) Loans Receivables – credit impaired.	-	-
Total - Gross	**852,570.07**	**1,058,977.12**
Less: Impairment loss allowance	46,638.64	62,866.49
Total - Net	**805,931.43**	**996,110.63**
(i) Secured by tangible assets (property, plant and equipment including land and building)**	686,697.92	1,010,431.84
(ii) Secured by book debts, inventories, fixed deposit and other working capital items	165,869.82	26,042.08
(iii) Secured by intangible assets	-	-
(iv) Covered by bank and government guarantee	-	22,500.00
(v) Unsecured	2.33	3.20
Total - Gross	**852,570.07**	**1,058,977.12**
Less: Impairment loss allowance	46,638.64	62,866.49
Total - Net	**805,931.43**	**996,110.63**

Loans in India* **		
(i) Public sector	251,664.23	245,268.23
(ii) Others	600,905.84	813,708.89
Total - Gross	**852,570.07**	**1,058,977.12**
Less: Impairment loss allowance	46,638.64	62,866.49
Total - Net	**805,931.43**	**996,110.63**

* Includes interest accrued.
** Based on the value of tangible assets/project assets provided as security.
*** The Company does not hold any loans outside India.
The net carrying amount of loans is considered a reasonable approximation of their fair value.
Refer note 44 A on credit risk

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Investments	As at March 31 2022					As at March 31, 2021				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
Investments in India										
Investment in equity instruments										
(a) Investment in associates (unquoted)										
61,121,415 (March 31, 2021: 61,121,415;) equity shares of Rs. 10 held in R.S. India Wind Energy Private Limited	-	-	-	4,737.33	**4,737.33**	-	-	-	4,737.33	**4,737.33**
4,390,000 (March 31, 2021:4,390,000) equity shares of Rs.10 held in Varam Bio Energy Private Limited	-	-	-	-	-	-	-	-	-	-
(b) Investment in associates (unquoted)										
90 (March 31, 2021: 90) optionally convertible debentures of Rs. 10 held in Varam Bio Energy Private Limited	-	-	-	428.58	**428.58**	-	-	-	428.58	**428.58**
Total Investment in associates (A+B)				**5,165.91**	**5,165.91**				**5,165.91**	**5,165.91**
Less: Allowance for Impairment Loss (C)				5,165.91	5,165.91				5,165.91	5,165.91
Total Net D= (A+B)-(C)				-	-				-	-

Other investments

Investments	As at March 31, 2022					As at March 31, 2021				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
(A) Investment in equity instruments										
(a) Investment in other companies (unquoted) (Refer Note (i) below)										
133,385,343 (March 31, 2021: 133,385,343;) equity shares of Rs. 10 held in East Coast Energy Private Limited	-	-	-	-	-	-	-	-	-	-
8,180,000 (March 31, 2021: 8,180,000;) equity shares of Rs. 10 held in Adhunik Power and Natural Resources Limited	-	-	-	-	-	-	-	-	-	-
39,831,212 (March 31, 2021: 39,831,212;) equity shares of Rs. 10 held in Athena Chattisgarh Power Limited	-	-	-	-	-	-	-	-	-	-
12,132,677 (March 31, 2021: 12,132,677;) equity shares of Rs. 10 held in Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	-	-

(b) Investment in other companies (Quoted)										
Nil (March 31, 2021: 21,904,762) equity shares held in Patel Engineering Limited (Face Value of Rs.1 acquired at Rs. 14.78 in the OTS settlement with M/s Dirang Energy Pvt. Ltd).	-	-	-	-	-	-	2,562.85	-	-	2,562.85
(B) Investment in optionally convertible debentures										
Investment in others (unquoted)										
200 (March 31, 2021: 200) optionally convertible debentures of Rs. 10,000,000 held in Ostro Energy Private Limited	-	-	23,300.05	-	23,300.05	-	-	21,824.01	-	21,824.01
Investment in security receipts (unquoted)										
307,470 (March 31, 2021: 307,470) security receipts of face value Rs.1000 each held in Edelweiss Assets Reconstruction Co Ltd (13,200 @ Rs 764.58 (previous year - Rs. 939.19) and 294,270 @ Rs 839.55 (previous year - Rs. 984.04)) held in Adhunik Power and Natural Resources Limited.	2,571.46	-	-	-	2,571.46	3,019.71	-	-	-	3,019.71
552,500 (March 31, 2021: 552,500 face value Rs 1000 each) security receipts of held in Phoenix ARC Pvt Ltd-Sispara Renewable Pvt Ltd (552,500 @ Rs. 357 (previous year - Rs. 399 each).	1,972.42	-	-	-	1,972.42	2,204.47	-	-	-	2,204.47
7,99,000 (March 31, 2021: 7,99,000;) security receipts of Rs. 1000 each held in Phoenix ARC Pvt Ltd-RKM Powergen Pvt Ltd. (7,99,000 @ Rs. 912 (previous year - Rs. 984) each)	7,286.88	-	-	-	7,286.88	7,862.16	-	-	-	7,862.16
Total Investments (A)	**11,830.76**	-	**23,300.05**	-	**35,130.81**	**13,086.34**	**2,562.85**	**21,824.01**	-	**37,473.20**
Less: Allowance for Impairment Loss (B)	-	-	128.19	-	128.19	-	-	143.19	-	143.19
Total Net C= (A)+(B)-(C)	**11,830.76**	-	**23,171.86**	-	**35,002.62**	**13,086.34**	**2,562.85**	**21,680.82**	-	**37,330.01**

Note:
(i) Fair value at initial recognition of investment in other companies accounted at fair value through other comprehensive income is as follows:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
East Coast Energy Private Limited	13,338.53	13,338.53
Adhunik Power and Natural Resources Limited	819.32	819.32
Athena Chattisgarh Power Limited	3,983.12	3,983.12
Prayagraj Power Generation Company Limited	-	-
Patel Engineering Limited *	-	3,237.52
	18,140.97	**21,378.49**

(ii) Investments acquired through invocation of pledge shares (collaterals) has not been considered as an investment.
* 21,904,762 nos. of equity shares of M/s Patel Engineering Limite have been sold during the year.

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Other financial assets	**As at March 31, 2022**	**As at March 31, 2021**
Security deposits	68.53	62.49
Others	13.12	-
	81.65	**62.49**

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Current tax assets (net)	**As at March 31, 2022**	**As at March 31, 2021**
Tax assets		
Advance income tax	83,341.72	96,578.10
Taxes paid under dispute*	2,659.21	2,540.97
Tax liabilities		
Provision for income tax	76,615.20	76,303.90
	9,385.73	**22,815.17**

*Includes amounts under dispute by company/other party. Refer Note 52

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Deferred tax assets	As at March 31, 2022	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment and intangible assets	81.18	104.20
Foreign currency monetary items translation difference account	8.73	117.43
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	8,670.32
Financial liabilities measured at amortised cost	291.50	349.52
	9,051.73	**9,241.47**
Tax effect of items constituting deferred tax assets		
Provision for employees benefits	122.14	114.42
Impairment on financial instruments	11,747.42	15,834.28
Accrued interest deductible on payment	6.95	13.90
Provision for diminution in value of unquoted non-current trade investments	129.71	251.08
Financial assets measured at amortised cost	55.12	547.70
Tax loss		-
Cash flow hedge reserve	130.81	163.30
Lease liability	19.02	29.14
	12,211.17	**16,953.82**
Deferred tax (assets) /liabilities (net)	**(3,159.44)**	**(7,712.35)**

Deferred taxes arising from temporary differences for the year ended March 31, 2022 and March 31, 2021 are summarized as follows:

Deferred tax (assets)/ liabilities	As at April 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	104.20	(23.02)	-	81.18
Foreign currency monetary items translation difference account	117.43	(108.70)	-	8.73
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	-	-	8,670.32
Financial liabilities measured at amortised cost	821.36	(529.86)	-	291.50
	9,713.31	**(661.58)**	-	**9,051.73**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	114.42	21.57	(13.85)	122.14
Impairment on financial instruments	15,834.28	(4,086.86)	-	11,747.42
Accrued interest deductible on payment	13.90	(6.95)	-	6.95
Losses/ diminution in value of investments	251.08	(3.49)	(117.88)	129.71
Financial assets measured at amortised cost	1,019.54	(964.42)	-	55.12
Tax loss	-	-	-	-
Cash flow hedge reserve	163.30	-	(32.49)	130.81
Lease liability	29.14	(10.12)	-	19.02
	17,425.66	**(5,050.27)**	**(164.22)**	**12,211.17**
Deferred tax (assets)/ liabilities (net)	**(7,712.35)**	**4,388.69**	**164.22**	**(3,159.44)**

Deferred tax (assets)/ liabilities	As at April 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	61.47	42.73	-	104.20
Foreign currency monetary items translation difference account	646.08	(528.65)	-	117.43
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	10,378.29	(1,707.97)	-	8,670.32
Financial liabilities measured at amortised cost	661.67	159.69	-	821.36
	11,747.51	**(2,034.20)**	-	**9,713.31**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	161.50	(43.10)	(3.98)	114.42
Impairment on financial instruments	17,106.62	(1,272.34)	-	15,834.28
Accrued interest deductible on payment	29.40	(15.50)	-	13.90
Losses/ diminution in value of investments	127.22	5.98	117.88	251.08
Financial assets measured at amortised cost	1,423.39	(403.85)	-	1,019.54

Tax loss	5,232.22	(5,232.22)	-	-
Cash flow hedge reserve	200.60	-	(37.30)	163.30
Lease liability	30.93	(1.79)	-	29.14
	24,311.88	**(6,962.82)**	**76.60**	**17,425.66**
Deferred tax (assets) /liabilities (net)	**(12,564.37)**	**4,928.62**	**(76.60)**	**(7,712.35)**

The Company had exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, has recognised current tax for the year ended March 31, 2022. Also, deferred tax assets/liabilities has been remeasured on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financials year by revising the annual effective income tax rate.

12 Property, plant and equipment

Particulars	**Right of use-Buildings**	**Leasehold improvements**	**Freehold land**	**Buildings**	**Plant and equipment**	**Furniture and fixtures**	**Computers**	**Vehicles**	**Office equipment**	**Total**
Gross carrying amount (at cost)										
As at April 1, 2020	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**179.77**	**66.29**	**209.99**	**6,125.29**
Additions	-	-	-	-	-	-	11.78	-	6.69	18.47
Disposals	-	-	-	-	-	-	11.24	-	3.47	14.71
As at March 31, 2021	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**180.31**	**66.29**	**213.21**	**6,129.05**
Additions	-	-	-	-	-	15.66	98.91	-	32.47	147.04
Disposals	-	-	-	-	-	0.60	33.11	-	5.72	39.43
As at March 31, 2022	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**115.11**	**246.11**	**66.29**	**239.96**	**6,236.66**
Accumulated depreciation										
As at April 1, 2020	**420.42**	367.41	-	4.74	2,701.29	76.90	152.52	31.83	182.40	3,937.51
Charge for the year	419.25	23.97	-	0.35	104.58	5.98	17.01	10.76	10.75	592.65
Disposals/Adjustments	-	-	-	-	-	-	10.68	-	2.40	13.08
As at March 31, 2021	**839.67**	**391.38**	-	**5.09**	**2,805.87**	**82.88**	**158.85**	**42.59**	**190.75**	**4,517.08**
Charge for the year	419.25	23.97		0.33	91.26	11.27	29.24	7.36	17.91	600.59
Disposals/Adjustments	-	-	-	-	-	0.29	21.58	-	2.66	24.53
As at March 31, 2022	**1,258.92**	**415.35**	-	**5.42**	**2,897.13**	**93.86**	**166.51**	**49.95**	**206.00**	**5,093.14**
Net carrying amount										
As at March 31, 2021	**735.09**	**64.86**	**3.50**	**6.85**	**716.88**	**17.17**	**21.46**	**23.70**	**22.46**	**1,611.97**
As at March 31, 2022	**315.84**	**40.89**	**3.50**	**6.52**	**625.62**	**21.25**	**79.60**	**16.34**	**33.96**	**1,143.52**

(i) Refer note 40 for information on property, plant and equipment pledged as security by the Company.
(ii) Lease of office building is recognised as right-of-use assets in accordance with Ind AS 116. Refer note 45

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Intangible asset	**Computer software**	**Total**
Gross carrying amount (at cost)		
As at April 1, 2020	265.17	265.17
Additions	16.76	16.76
Disposals	-	-
As at March 31, 2021	**281.93**	281.93
Additions	4.76	4.76
Disposals	-	-
As at March 31, 2022	**286.69**	286.69
Accumulated depreciation		
As at April 1, 2020	263.08	263.08
Charge for the year	2.78	2.78
Adjustments	-	-
As at March 31, 2021	**265.86**	265.86
Charge for the year	6.58	6.58
Adjustments	-	-
As at March 31, 2022	**272.44**	272.44
Net carrying amount		
As at March 31, 2021	**16.07**	**16.07**
As at March 31, 2022	**14.25**	**14.25**

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Other non-financial assets	As at March 31, 2022	As at 31 March 2021
Capital advances*	1,038.85	1,538.85
Provision for advances	(1,038.85)	(1,038.85)
	-	**500.00**
Prepaid expense	50.45	68.36
Balances with government authorities	40.97	15.98
	91.42	**584.34**

*The Company and its Holding Company (PTC India Limited) had signed an agreement in March, 2017 for acquisition of land (share of 50% each) situated at Greater Noida Expressway, Noida, Uttar Pradesh to be used for construction of office building of PTC Group. Accordingly, the Company deposited its share of 50% of the transfer charges of Rs.1,025.79 lakhs with Yamuna Expressway Industrial Development Authority (YEIDA) for transfer of the land. Subsequently, YEIDA cancelled the approval for transfer and forfeited the transfer charges deposited, citing the reason as delay in registration, however, the delay was not attributable to the Company. The Company has filed an appeal before Principal Secretary, Urban Development, Government of UP as per directions of Allahabad High Court for retrieving the forfeited amount.

Presently, the matter is pending before Principal Secretary, Government of UP. As the Company had cancelled the land deal, as a matter of abundant caution, a provision against the amount deposited with YEIDA was created in the last year i.e. FY 2020-21, During the current year the company has received an amount of Rs 500 lakhs from ICICI bank which was given as an advance towards purchase of land.

15 Trade Payables

Trade Payables	As at March 31, 2022	As at March 31, 2021
i) Total outstanding dues of micro enterprises and small enterprises	2.23	13.75
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	174.08	275.64
Total	**176.31**	**289.39**

a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year/period.	2.23	13.75
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year/period.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year/period.	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

* No interest is payable on outstanding amount.

b) Trade Payable ageing is as follows

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		2.23	-	-	-	2.23
(ii) Others	129.29	22.36	0.01	3.75	18.67	174.08
(iii) Disputed Dues- MSME		-	-	-	-	-
(iv) Disputed Dues- Others		-	-	-	-	-

Particulars	As at 31 March 2021					
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		-	-	-	13.75	13.75
(ii) Others	186.63	48.74	5.12	6.16	28.99	275.64
(iii) Disputed Dues- MSME						-
(iv) Disputed Dues- Others						-

16 Debt securities	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Unsecured		
Commercial paper (i)	-	29,474.58
Secured		
Infrastructure bonds (ii)	922.50	10,919.55
Debentures (iii) #	11,699.51	23,214.67
Total	**12,622.01**	**63,608.80**
Debt securities in India	2,422.50	43,392.93
Debt securities outside India	10,199.51	20,215.87
	12,622.01	**63,608.80**

(i) Commercial paper

Commercial paper NIL (March 31, 2021 : Rs 29,474.58 Lakhs) are unsecured and privately placed and carries interest of 7.60% p.a. Repayable in a bullet payment at the end of 12 months from date of disbursement i.e. June 29, 2020.

(ii) Infrastructure bonds

18,450 (March 31, 2021: 218,391) privately placed 8.93%/9.15% secured redeemable non-convertible long-term infrastructure bonds of Rs 5,000 each (Infra Series 2) amounting to Rs 922.50 lakhs (March 31, 2021: Rs 10,919.55 lakhs) allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other unencumbered receivables of the Company to provide the 100% security coverage. During the year, the company has repaid Rs 9997.05 lakhs (March 31, 2021: Rs 154.10 lakhs) under maturity of Options I and II and buyback scheme exercised by eligible holders of infrastructure bonds of Options III and IV in FY2021-22 as per terms of Infra Series 2.

(iii) Debentures

1,500 (March 31, 2021: 1,500) privately placed 9.80% secured redeemable non-convertible debentures of Rs 200,000 each (March 31, 2021: 4,00,000 each) (Series 5) amounting to Rs 3,000.00 lakhs (March 31, 2021: Rs 6,000.00 lakhs) were allotted on June 16, 2015 redeemable at par in five equal annual instalments commencing from June 12, 2018

Series 5 debentures are secured by way of first ranking exclusive charge by way of hypothecation of the identified receivables of the Company comprising asset cover of at least 100% of the amount of the Debentures

900 (March 31, 2021: 900) privately placed 10.50% secured redeemable non-convertible debentures of Rs 166,667 each (March 31, 2021: Rs 333,333 each) (Series 3) amounting to Rs 1,500.00 lakhs (March 31, 2021: Rs 3,000.00 lakhs) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018.

Series 3 debentures are secured by way of mortgage of immovable building and exclusive first charge by way of hypothecation of the receivables of the loan assets created from the proceeds of respective debentures. Further, the same have also been secured by pari-passu charge by way of hypothecation of the receivables 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.

2,135 (March 31, 2021: 2,135) privately placed 9.62% secured redeemable non-convertible debentures of Rs 340,000 each (March 31, 2021 : Rs 670,000 each) (Series 4) amounting to Rs 7,259.00 lakhs (March 31, 2021 : Rs 14,304.50 lakhs) were allotted on June 03, 2015 redeemable at par in 3 tranches divided in 33% of face value on May 28, 2019, 33% of face value on May 28, 2021 and balance 34% of face value on May 28, 2025.

Series 4 debentures are secured by way of exclusive first charge by way of hypothecation of the specified receivables of the Company comprising asset cover of at least 110% of the amount of the Debentures

#Net of Ind AS adjustments in respect of transaction costs at Effective Interest Rate (EIR) amounting to Rs. 59.49 lakhs (March 31, 2021: Rs 89.83 lakhs)

17 Borrowings (other than debt securities)*	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Secured		
Loans		
- from banks (i)	685,017.55	800,685.09
- from financial institutions (ii)	-	30,000.00
-External commercial borrowings from financial institutions (iii)	14,111.08	22,284.05
Lease liability	387.54	841.78
Total	**699,516.17**	**853,810.92**
Borrowings in India	685,405.09	831,526.87
Borrowings outside India	14,111.08	22,284.05
Total	**699,516.17**	**853,810.92**

* The funds borrowed from banks and financial institutions have been utilised for the purpose it was taken.

(i) **Term loan from bank**

Term loans from banks carry interest ranging from 6.95% to 8.55% p.a. The loans carry various repayment schedules according to their respective sanctions and thus are repayable in 12 to 48 quarterly instalments. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation (other than assets created/ to be created in favour of specific lenders) so that lenders should have at least 100%/ 111% security coverage on its outstanding loan at all times during the currency of the loan.

(ii) **Term loan from financial institution**

Loan from financial institution NIL (March 31, 2021: Rs 30,000.00 Lakhs) carries interest of 6.75% p.a. The loan is repayable in a bullet payment at the end of 12 months from date of disbursement. The loan is secured by first pari-passu charge over entire receivables (excluding receivables specifically charged to other lenders)/ book debts of company covering 100% of the principal outstanding loan at any point of time.

(iii) **External commercial borrowings**

External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a. The loans are repayable in 32/36 equal quarterly instalments as per the due dates specified in the respective loan agreements. The borrowings are 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. During the year ended March 31, 2022, four quarterly repayments of ECB loans have been made amounting to USD 11,638,888 (Rs 8,504.05 lakhs).

As at March 31, 2022, the Company had undrawn sactioned borrowing facilities of Rs.1,63,500 lakhs (March 31, 2021 : Rs. 1,21,500 lakhs). Subsequent to the year end, undrawn sanctioned borrowings of Rs 58,500 lakhs were expired.

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Other financial liabilities	**As at March 31, 2022**	**As at March 31, 2021**
(Measured at amortised cost)		
Interest accrued but not due on borrowings		
- Term loan	321.44	285.44
- Debentures	353.46	699.49
- Infrastructure bonds	990.73	9,564.96
Unclaimed dividend	58.95	66.33
Unclaimed interest on debentures and bonds	8,660.49	2,065.93
Deferred processing/upfront fees	955.31	1,249.05
Income received in advance	858.05	672.40
Security deposit from borrowers	-	8,011.35
Payable to employees	476.97	216.57
	12,675.40	**22,831.52**

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Provisions	**As at March 31, 2022**	**As at March 31, 2021**
Gratuity	8.20	217.21
Compensated absences	213.01	168.27
Other employees benefits	25.59	69.15
	246.80	**454.63**

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Other non-financial liabilities	**As at March 31, 2022**	**As at March 31, 2021**
Statutory remittances	9.02	261.87
	9.02	**261.87**

21 **Equity share capital**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Authorised Equity share capital		
1,250,000,000 (March 31, 2021: 1,250,000,000) equity shares of Rs.10 each	125,000.00	125,000.00
Authorised Preference share capital		
750,000,000 (March 31, 2021: 750,000,000) preference shares of Rs.10 each	75,000.00	75,000.00
Total	**200,000.00**	**200,000.00**
Issued, subscribed and paid up Equity share capital		
642,283,335 (March 31, 2021: 642,283,335) equity shares of Rs. 10 each fully paid up	64,228.33	64,228.33
	64,228.33	**64,228.33**

(i) **Terms /rights aattached to equity shares:**
Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Equity Share Capital	
	Number of shares	Amount
As at April 1, 2020	**642,283,335**	**64,228.33**
Add: Equity shares issued during the year	-	-
As at March 31, 2021	**642,283,335**	**64,228.33**
Add: Equity shares issued during the year	-	-
As at March 31, 2022	**642,283,335**	**64,228.33**

(iii) **Shareholders holding more than 5% shares are set out below:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	%	Number of shares	%
PTC India Limited#	417,450,001	64.99	417,450,001	64.99

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

(iv) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

(v) **Shareholding of promoters are as follows:**

Promoter Name	As at 31 March 2022		
	No. of shares	% of total shares	% change during the year
PTC India Limited	417,450,001	64.99	-

Promoter Name	As at 31 March 2021		
	No. of shares	% of total shares	% change during the year
PTC India Limited	417,450,001	64.99	-

(vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

22 **Other equity**

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account	61,280.57	61,280.57
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	38,174.27	35,574.57
Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)	34,449.78	34,449.78
Impairment reserve	27,371.36	12,696.98
Equity instruments through other comprehensive income	(17,902.12)	(18,697.76)
Cash flow hedge reserve	(388.93)	(485.54)
Foreign currency monetary items translation difference account	(308.68)	(813.61)
Retained earnings	19,482.71	23,717.11
Total	**162,158.96**	**147,722.10**

(i) **Securities premium account**

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**61,280.57**	**61,280.57**
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	**61,280.57**	**61,280.57**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**35,574.57**	**35,062.51**
Add: Transferred from Retained earnings	2,599.70	512.06
Closing balance	**38,174.27**	**35,574.57**

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1961.The reserve is utilised in accordance with the provisions of the relevant statutes.

(iii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**34,449.78**	**29,699.78**
Add: Transferred from Retained Earnings	-	4,750.00
Closing balance	**34,449.78**	**34,449.78**

This reserve is maintained in accordance with the provisions of Section 36(1)(viii) of the Income tax Act, 1961. The reserve is utilised in accordance with the provisions of the relevant statutes.

(iv) Impairment Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**12,696.98**	**5,768.65**
Add: Transferred from Retained Earnings	14,674.38	6,928.33
Closing balance	**27,371.36**	**12,696.98**

This reserve is maintained in accordance with the RBI Circular on Implementation of Ind AS dated March 13, 2020.The reserve is utilised in accordance with the provisions of the relevant circular. Refer note 46

(v) Equity instruments through other comprehensive income

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(18,697.76)**	**(18,140.97)**
Add: Change in fair value of FVOCI equity investments	1,220.76	(674.67)
Add/less: Tax impact	(425.12)	**117.88**
Less: Transfer to retained earnings on disposal of investments	-	-
Closing balance	**(17,902.12)**	**(18,697.76)**

The Company has elected to recognise changes in fair value of equity investments in other comprehensive income. These changes are accumulated within the “Reserve for equity instruments through other comprehensive income”. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(vi) Cash flow hedge reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(485.54)**	**(373.46)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	56.79	(890.10)
Less: Amount reclassified to profit or loss	72.31	815.32
Less: Tax impact	(32.49)	(37.30)
Closing balance	**(388.93)**	**(485.54)**

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with its foreign currency borrowings. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to profit or loss when hedged item affects profit or loss.

(vii) Foreign currency monetary items translation difference account

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**(813.61)**	**(2,268.98)**
Add/(less): Effect of foreign exchange rate variations during the year (net)	(120.41)	409.70
Add/less: Amortisation for the year through profit or loss	625.34	1,045.67
Closing balance	**(308.68)**	**(813.61)**

Foreign currency monetary items translation difference account comprises of the unamortised loss/gain on long term foreign currency monetary items (except derivative financial instruments), for which the Previous GAAP policy is carried forward.

(viii) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**23,717.11**	**36,225.63**
Add: Net profit for the year	12,998.48	2,560.31
Add: Remeasurement of post-employment benefit obligation, net of tax	41.20	11.84
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(2,599.70)	(512.06)
Less: Transferred to special reserve u/s 36(1)(viii) of the Income tax Act Act, 1961	-	(4,750.00)
Less: Transfer to Impairment Reserve	(14,674.38)	(6,928.33)
Less: Dividend on equity shares [Rs. xxx per equity share (March 31, 2021: Rs. Nil per equity share]	-	(2,890.28)
Less: Tax on equity dividend	-	-
Closing balance	**19,482.71**	**23,717.11**

Distributions made and proposed

Particulars	As at March 31, 2022	As at March 31, 2021
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2021: Rs. Nil per share (March 31, 2020: Rs. 0.45 per share)	-	2,890.28

Particulars	As at March 31, 2022	As at March 31, 2021
Proposed dividend on Equity Shares:		
Final dividend for the year ended March 31, 2022: Rs. xxxxx per share (March 31, 2021: Rs. Nil per share)	-	-

23	Interest income	For the year ended March 31, 2022	For the year ended March 31, 2021
	Interest income on loans	87,523.21	106,024.52
	Interest income on debentures	2,492.07	2,571.55
	Interest on fixed deposits	2,445.66	1,921.26
	Interest income on other financial assets	7.97	7.21
		92,468.91	**110,524.54**

24	Fee and commission Income	For the year ended March 31, 2022	For the year ended March 31, 2021
	Fee based income	2,468.88	2,183.66
		2,468.88	**2,183.66**

25	Other income	For the year ended March 31, 2022	For the year ended March 31, 2021
	Consultancy and other services	0.42	89.89
	Profit on sale of property, plant and equipment	0.08	-
	Interest on income tax refund	1,526.73	773.47
	Miscellaneous Income	58.80	24.41
		1,586.03	**887.77**

26	Finance costs (on financial liabilities measured at amortised cost)	For the year ended March 31, 2022	For the year ended March 31, 2021
	Interest expenses on:		
	Borrowings:		
	-On Loans from banks/ financial institutions	52,781.57	66,300.85
	-On External commercial borrowings	994.73	1,592.51
	-On lease liability	62.62	105.46
	Debt securities		
	-On Infra bonds	1,809.58	2,087.15
	-On Debentures	1,473.42	2,515.17
	-On Commercial paper	525.42	1,588.14
	Other interest expenses:		
	- Interest expense on security deposits	75.26	696.24
	Other Borrowing Costs:		
	- Loss/amortisation of foreign currency transaction/transalation	254.26	264.71
		57,976.86	**75,150.23**

27	Fees and commission expense	For the year ended March 31, 2022	For the year ended March 31, 2021
	Other charges on term loans and other borrowings	170.47	148.02
		170.47	**148.02**

28	Net loss on fair value changes	For the year ended March 31, 2022	For the year ended March 31, 2021
	Net loss on financial instruments at fair value through profit or loss		
	-Loss on MTM of derivatives	343.79	595.82
	Loss on modification of cash flow	6.14	(237.27)
		349.93	**358.55**

29	Impairment on financial instruments	For the year ended March 31, 2022	For the year ended March 31, 2021
	Impairment loss on financial instruments based on category of financial instrument:		
	Loans*	16,800.54	23,121.22
	Others	(15.00)	63.02
		16,785.54	**23,184.24**

* Refer note 45 (A.4)

30	Employees benefit expense	For the year ended March 31, 2022	For the year ended March 31, 2021
	Salaries and other allowances	1,685.61	1,508.10
	Contribution to provident fund	65.52	62.09
	Staff welfare expense	141.84	104.14
		1,892.97	**1,674.33**

31	Depreciation and amortisation expense	For the year ended March 31, 2022	For the year ended March 31, 2021
	Depreciation on tangible assets and right-of-use (Refer note 12)	600.59	592.65
	Amortisation on intangible assets (Refer note 13)	6.58	2.78
		607.17	**595.43**

32	Other expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
	Rent	47.74	49.38
	Repairs and maintenance		
	- Plant and equipment	115.18	109.68
	- others	82.93	94.21
	Insurance	6.88	6.99
	Rates and taxes	20.12	21.86
	Communication	34.12	28.31
	Travelling and conveyance	31.52	13.54
	Advertising and business development	29.82	19.33
	Donation	-	-
	Corporate social responsibility expenses	21.00	252.30
	Legal and professional	967.19	1,567.05
	Auditor remuneration:		
	- For statutory audit	9.00	8.18
	- For quarterly audit/limited review	16.20	14.72
	- For tax audit	1.80	1.64
	- For other certification and reporting	8.20	2.73
	- For out of pocket expenses	1.51	0.12
	Loss on sale of property, plant and equipment	-	0.61
	AGM expenses	5.64	7.73
	Bank charges	7.36	5.78
	Directors' sitting fees	81.10	73.24
	Provision on capital advances	-	1,038.85
	Miscellaneous expenses	212.35	176.14
		1,699.66	**3,492.39**

33 Income tax expense

(a) **Income tax expense recognised in Statement of profit and loss**

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax		
In respect of the current year	4.05	1,852.83
	4.05	1,852.83
Deferred tax charge/ (benefits)		
In respect of the current year	4,388.69	4,928.62
	4,388.69	4,928.62
Total tax expense in statement of profit and loss.	**4,392.74**	**6,781.45**

(b) **Income tax expense recognized in other comprehensive income**

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax relating to cash flow hedge reserve	(32.49)	(37.30)
Income tax relating to remeasurement gains/(losses) on defined benefit plans	(13.85)	(3.98)
Income tax relating to FVTOCI to equity investments	(307.24)	-
Deferred tax benefits/(charge) relating to FVTOCI to equity investments	(117.88)	117.88
	(471.46)	**76.60**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will be reclassified to profit or loss	(32.49)	(37.30)
Items that will not be reclassified to profit or loss	(438.97)	113.90
	(471.46)	**76.60**

(c) Reconciliation of the expected tax expense based on the domestic effective tax rate applicable in india and the reported tax expense in statement of profit and loss.

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax	17,391.22	9,341.76
Domestic tax rate as per income tax rate	25.168%	25.168%
Expected tax expense [A]	**4,377.02**	**2,351.13**
Adjustment on account of non-deductible expenses and special reserve	15.72	798.46
Reversal during tax holiday period	-	116.83
Adjustment for change in tax rate during the year	-	3,515.03
Others	-	-
Total effect of tax adjustment [B]	**15.72**	**4,430.32**
Actual tax expense [C=A+B]	**4,392.74**	**6,781.45**

34 **Contingent liabilities and commitments**

Particulars	As at March 31, 2022	As at March 31, 2021
a) In respect of following:		
- Income tax matters	3,691.29	3,671.78
b) Commitments		
- Loan financing	3,560.00	34,259.50

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on financial position of the Company. Amount above does not include the contingencies the likelihood of which is remote.

35 **Change in liabilities arising from financing activities**

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at April 1, 2020	**41,298.10**	**886,193.76**	**927,491.86**
Cash flows:			
Proceeds from debt securities/borrowings	29,474.58	161,869.72	191,344.30
Repayment of debt securities/borrowings	(7,217.82)	(192,280.37)	(199,498.19)
Repayment of lease liability	-	(386.78)	(386.78)
Non-cash:			
Foreign currency fluctuation impact	-	(1,455.37)	(1,455.37)
Impact of borrowings measured at amortised cost	53.94	(130.04)	(76.10)
As at March 31, 2021	**63,608.80**	**853,810.92**	**917,419.72**
Cash flows:			
Proceeds from debt securities/borrowings	-	571,852.62	571,852.62
Repayment of debt securities/borrowings	(51,017.13)	(725,438.37)	(776,455.50)
Repayment of lease liability	-	(454.24)	(454.24)
Non-cash:			
Foreign currency fluctuation impact	-	(504.93)	(504.93)
Impact of borrowings measured at amortised cost	30.34	250.17	280.51
As at March 31, 2022	**12,622.01**	**699,516.17**	**712,138.18**

36 **Disclosures under Ind AS 19 (Employee benefits)**

The details of various employee benefits provided to employees are as under:

Defined contribution plans

Particulars	As at March 31, 2022	As at March 31, 2021
Provident fund	65.52	62.09

Defined benefit plans:
The Company has following defined benefit plans for its employees

- Gratuity: The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

- Post-Retirement Medical Benefit: The Company operates post-employment medical benefits scheme. The liability is recognised on the basis of actuarial valuation.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk , longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by Mr. K.K. Dharni (FIAI M.No. 00051) , Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

Principal assumptions:	**Gratuity/Post Medical retirement benefit**	
	As at March 31, 2022	**As at March 31, 2021**
Discount rate	7.26%	6.79%
Future salary increase	9.00%	8.50%
Retirement age	60/62	60/62
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

(a)

The amounts recognised in Balance Sheet are as follows:		
Principal assumptions:	**Gratuity**	
	As at March 31, 2022	**As at March 31, 2021**
A) Present Value of Defined Benefit Obligation		
- Wholly funded	246.66	-
- Wholly unfunded	-	217.21
	246.66	**217.21**
Less: Fair value of plan assets	(238.46)	-
Amount to be recognised as liability or (asset)	**8.20**	**217.21**
B) Amounts reflected in Balance Sheet		
Liabilities	8.20	217.21
Assets	-	-
Net liability	**8.20**	**217.21**

(b) **Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-**

Particulars	Gratuity		Post Medical retirement benefit	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Service cost				
Current service cost	27.13	28.05	2.02	7.02
Past service cost and (gain)/Loss from settlements	-	-	-	-
Net interest expense	7.09	12.91	4.70	4.00
Component of defined benefit cost recognised in profit or loss	**34.22**	**40.96**	**6.72**	**11.02**
Amount recognised in Other comprehensive Income				
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	7.05	(7.02)	(11.67)	2.17
Actuarial (gains)/ losses arising from experience adjustments	(11.82)	(7.77)	(38.61)	(3.20)
Component of defined benefit cost recognised in Other comprehensive Income	**(4.77)**	**(14.79)**	**(50.28)**	**(1.03)**

The Current Service Cost and the net interest expense for the year are included in the Employee benefits expenses line items in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(c) **Movements in the present value of the defined benefit obligation are as follows :-**

Particulars	Gratuity		Post Medical retirement benefit	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Present value of obligation as at the beginning	217.21	191.04	69.15	59.16
Current service cost	27.13	28.05	2.02	7.02
Interest cost	7.09	12.91	4.70	4.00
Past service cost including curtailment gains/ losses	-	-	-	-
Benefits paid	-	-	-	-
Net actuarial (gain) / loss recognised	(4.77)	(14.79)	(50.28)	(1.03)
Present value of obligation as at the end	246.66	217.21	25.59	69.15

(d) **The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of defined benefit plans to the amounts presented in the balance sheet is presented below:**

	Gratuity	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Present Value of unfunded defined benefit obligation	246.66	217.21
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	246.66	217.21

	Post Medical retirement benefit	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Present Value of unfunded defined benefit obligation	25.59	69.15
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	25.59	69.15

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

		Gratuity			
S. No	**Particular**	**Effect of 0.5% basis increase**		**Effect of 0.5% basis decreas**	
		As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
1	Impact of change in discount rate	(16.23)	(24.65)	14.89	27.25
2	Impact of change salary escalation rate	14.84	13.80	(13.71)	(12.72)

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Average duration of the defined benefit obligation (in years)		
Less than 1 year	34.23	3.42
Between 1-2 years	21.47	8.95
Between 2-5 years	24.08	50.27
Over 5 years	192.47	223.73
Total	**272.25**	**286.37**

37 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	33,800.21	-	33,800.21	48,940.12	-	48,940.12
Bank balance other than (a) above	60,630.30	1,273.36	61,903.66	36,519.90	-	36,519.90
Derivative financial instruments	372.42	636.03	1,008.45	-	1,127.65	1,127.65
Trade receivables	110.62	-	110.62	376.86	-	376.86
Loans	209,671.28	596,260.15	805,931.43	252,696.40	743,414.23	996,110.63
Investments	23,171.86	11,830.76	35,002.62	-	37,330.01	37,330.01
Other financial assets	81.65	-	81.65	-	62.49	62.49
Non-financial assets						
Current tax assets (net)	-	9,385.73	9,385.73	-	22,815.17	22,815.17
Deferred tax assets (net)	-	3,159.44	3,159.44	-	7,712.35	7,712.35
Property, Plant and Equipment	-	827.68	827.68	-	876.88	876.88
Right of use-Buildings	315.84	-	315.84	-	735.09	735.09
Other Intangible asset	-	14.25	14.25	-	16.07	16.07
Other non-financial assets	91.42	-	91.42	84.34	500.00	584.34
Total Assets	**328,245.60**	**623,387.40**	**951,633.00**	**338,617.62**	**814,589.94**	**1,153,207.56**
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Payables						
Trade Payables						
(i) total outstanding dues to micro and small enterprises	2.23	-	2.23	13.75	-	13.75
(ii) total outstanding dues of creditors other than micro and small enterprises	174.08	-	174.08	492.21	-	492.21
Debt securities	5,422.50	7,199.51	12,622.01	51,940.13	11,668.67	63,608.80
Borrowings (Other than debt securities)	205,030.05	494,098.58	699,128.63	210,384.88	642,584.26	852,969.14
Lease liability	387.54	-	387.54	454.24	387.54	841.78
Other financial liabilities	11,720.09	955.31	12,675.40	19,895.90	2,719.05	22,614.95
Non-financial liabilities						
Provisions	14.32	232.48	246.80	15.19	439.44	454.63
Other non-financial liabilities	9.02	-	9.02	261.87	-	261.87
Total Liabilities	**222,759.83**	**502,485.88**	**725,245.71**	**283,458.17**	**657,798.96**	**941,257.13**
Net equity	**105,485.77**	**120,901.52**	**226,387.29**	**55,159.45**	**156,790.98**	**211,950.43**

38 **Segment reporting**

The Company's main business is to provide project financing for entire 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 IND AS 108 on "Segment Reporting".

39 **Related party disclosures under Ind AS 24**

Related party disclosures

Name of related parties and their relationship:

Name of related party	**Nature of Relationship**
PTC India Limited	Holding company
PTC Energy Limited	Fellow subsidiary company
R.S. India Wind Energy Private Limited	Associate company
Varam Bio Energy Private Limited	Associate company
PTC Foundation	Trust to Holding company
Key management personnel:	
Shri Deepak Amitabh	Chairman and Non Executive Director (ceased w.e.f. 06th November, 2021)
Dr. Rajib Kumar Mishra	Chairman and Non Executive Director (w.e.f. 08th November, 2021)
Dr. Pawan Singh	Managing Director and CEO
Shri Naveen Kumar	Whole Time Director (ceased w.e.f. 09th July, 2021 due to his superannuation)
Mrs. Pravin Tripathi	Independent Director (ceased w.e.f. 14th October, 2021)
Shri Kamlesh Shivji Vikamsey	Independent Director (ceased w.e.f. 19th January 2022)
Shri Santosh Balachandran Nayar	Independent Director (ceased w.e.f. 19th January 2022)
Shri Rakesh Kacker	Independent Director (ceased w.e.f.31st December, 2021)
Shri Thomas Mathew T.	Independent Director (ceased w.e.f. 19th January 2022)
Dr. Ajit Kumar	Nominee Director (ceased w.e.f. 08th April, 2021)
Shri Rajiv Malhotra	Nominee Director (ceased w.e.f. 06th November, 2021)
Ms. Renu Narang	Nominee Director (w.e.f. 21st June, 2021 and ceased w.e.f 10th December, 2021)
Shri Pankaj Goel	Nominee Director (w.e.f. 08th November, 2021)
Ms. Sushama Nath	Independent Director (w.e.f. 29th March 2022)
Shri Devendra Swaroop Saksena	Independent Director (w.e.f. 29th March 2022)
Shri Ramesh Narain Misra	Independent Director (w.e.f. 29th March 2022)
Shri Jayant Purushottam Gokhale	Independent Director (w.e.f. 29th March 2022)
Shri. Sanjay Rustagi	Chief Financial Officer
Shri. Vishal Goyal	Company Secretary

Transactions with the key management personnel during the year:

Particulars		As at March 31, 2022	As at March 31, 2021
Dr. Pawan Singh	**Remuneration**		
	Short-term benefits	91.72	113.08
	Post-employment benefits	3.42	3.01
	Other long-term benefits	3.65	-
		98.79	**116.09**
Shri Naveen Kumar	**Remuneration**		
	Short-term benefits	21.82	90.17
	Post-employment benefits	-	1.28
	Other long-term benefits	8.32	2.17
		30.14	**93.62**
Shri Sanjay Rustagi	**Remuneration**		
	Short-term benefits	44.02	54.65
	Post-employment benefits	1.33	1.40
	Other long-term benefits	2.22	0.82
		47.57	**56.87**
Shri Vishal Goyal	**Remuneration**		
	Short-term benefits	44.98	54.60
	Post-employment benefits	2.23	0.65
	Other long-term benefits	2.86	1.36
		50.07	**56.61**
Non-Executive Directors*	Sitting fees	56.40	67.20
	Reimbursement of expenses	0.40	-
		56.80	**67.20**

* Includes Rs 17.60 lakhs (March 31, 2021 Rs 22.00 lakhs) which has been paid to the holding company as sitting fees of the directors

Transactions with the related parties

Particulars		As at March 31, 2022	As at March 31, 2021
PTC India Limited			
Expenses reimbursed		19.07	20.35
Director sitting fees		17.60	22.00
Dividend paid		-	1,878.53
PTC Energy Limited			
Interest income		852.92	1,579.34
PTC Foundation			
Amount paid for CSR spend		-	220.99
Loans to fellow subsidiary company			
PTC Energy Limited			

Particulars	As at March 31, 2022	As at March 31, 2021
Beginning of the year	12,624.93	13,122.62
Loan Disbursed	-	2,500.00
Loan repayments received	(7,759.78)	(3,405.43)
Interest charged	852.92	1,579.34
Interest received	(852.92)	(1,171.60)
End of the year	**4,865.15**	**12,624.93**

Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2022	As at March 31, 2021
PTC India Limited	Receivables- other	13.12	-
PTC Energy Limited	Receivables- loan given	4,865.15	12,624.93

40 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets		
Trade receivables	110.62	376.86
Loans	805,929.10	996,107.43
Property, Plant and Equipment - Building	6.52	6.85

*Refer Note 6, 7 and 12

41. Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

41.1 Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt. The Company has a target gearing ratio of 3.00 to 4.50 determined as a proportion of net debt to total equity.

41.2 Regulatory capital

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The BoDs regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR). Further, the Company also ensures compliance of guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital Adequacy Ratio (CAR) and other key financial parameters of the Company are as under:

Capital Adequacy ratio - Tier I	26.10%
Capital Adequacy ratio - Tier II	0.61%
	26.71%

42. Categories of financial instruments

The Carrying value of financial assets and liabilities are as follows :-

As at March 31, 2022				
Particulars	**Fair value through P&L**	**Fair value through OCI**	**Amortised cost**	**Total**
Financial Assets				
Investments	11,830.76	-	23,171.86	35,002.62
Loans	-	-	805,931.43	805,931.43
Derivative assets	372.42	636.03	-	1,008.45
Trade Receivables	-	-	110.62	110.62
Cash and cash equivalents	-	-	33,800.21	33,800.21
Bank balances other than above	-	-	61,903.66	61,903.66
Other financial assets	-	-	81.65	81.65
Total financial assets	**12,203.18**	**636.03**	**924,999.43**	**937,838.64**
Financial liabilities				
Debt Securities	-	-	12,622.01	12,622.01
Borrowings (Other than debt securities)	-	-	699,128.63	699,128.63
Lease liability	-	-	387.54	387.54
Derivative liabilities	-	-	-	-
Trade payables	-	-	176.31	176.31
Other financial liabilities	-	-	12,675.40	12,675.40
Total financial liabilities	**-**	**-**	**724,989.89**	**724,989.89**
As at March 31, 2021				

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	13,086.34	2,562.85	21,680.82	37,330.01
Loans	-	-	996,110.63	996,110.63
Derivative assets	789.25	338.40	-	1,127.65
Trade Receivables	-	-	376.86	376.86
Cash and cash equivalents	-	-	48,940.12	48,940.12
Bank balances other than above	-	-	36,519.90	36,519.90
Other financial assets	-	-	62.49	62.49
Total financial assets	**13,875.59**	**2,901.25**	**1,103,690.82**	**1,120,467.66**
Financial liabilities				
Debt Securities	-	-	63,608.80	63,608.80
Borrowings (Other than debt securities)	-	-	853,810.92	853,810.92
Derivative liabilities	-	-	-	-
Trade payables	-	-	505.96	505.96
Other financial liabilities	-	-	22,614.95	22,614.95
Total financial liabilities	**-**	**-**	**940,540.63**	**940,540.63**

43. Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at March 31, 2022:

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	-	-	-	-
Derivative financial instruments				
- Derivative instruments (net)	-	372.42	-	372.42
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	11,830.76	11,830.76
Derivative financial instruments				
- Derivative instruments (net)	-	636.03	-	636.03

As at March 31, 2021				
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	2,562.85	-	-	2,562.85
Derivative financial instruments				
- Derivative instruments (net)	-	789.25	-	789.25
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	13,086.34	13,086.34
Derivative financial instruments				
- Derivative instruments (net)	-	338.40	-	338.40

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2022 and March 31, 2021 :

Particulars	**Investments in security receipts**
As at March 31, 2020	15,170.21
Acquisitions	-
Gains/(losses) recognized in profit or loss	237.27
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(2,321.14)
As at March 31, 2021	**13,086.34**
Acquisitions	-
Gains/(losses) recognized in profit or loss	(6.14)
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(1,249.44)
As at March 31, 2022	**11,830.76**

There are no financial liabilities measured at fair value on recurring basis. There were no transfers between the 3 levels in the reporting periods.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the standalone financial statements approximate their fair values.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Commercial paper	-	-	29,474.58	29,474.58
Infrastructure Bonds	922.50	922.50	10,919.55	10,919.55
Debentures	11,699.51	11,714.36	23,214.67	23,512.33
	Fair value hierarchy As at March 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Liabilities at amortised cost				
Commercial paper	-	-	-	-
Infrastructure Bonds	-	-	922.50	922.50
Debentures	-	-	11,714.36	11,714.36
	Fair value hierarchy As at March 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Liabilities at amortised cost				
Commercial paper	-	-	29,474.58	29,474.58
Infrastructure Bonds	-	-	10,919.55	10,919.55
Debentures	-	-	23,512.33	23,512.33

The fair value of the financial assets and liabilities are disclosed at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:-

-Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments are as described below:

a) Security receipts are valued with reference to sale price observable in the market on the basis of external rating provided by credit rating agencies.

b) The Company's foreign currency and interest rate derivative contracts are not traded in active markets. Fair valuation of such instruments are provided by the dealer which are recognised banks and use widely acceptable techniques. The effects of non-observable inputs are not significant for foreign currency forward contracts.

The Company performs valuations in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument with the overall objective of maximising the use of market-based information.

-Trade receivables, Cash and Cash equivalents, other bank balances, other current financial Assets, current borrowings, trade payables and other current financial liabilities: approximate their carrying amounts largely due to the short-Term maturities of these instruments.

-Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

44 **Financial risk management**

i) **Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, Cash and bank balances, trade receivables, derivative financial instruments, other financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Derivative contracts/ hedging
Market risk - interest rate	Non-current borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security price	Investments in equity securities	Sensitivity analysis	Portfolio diversification, exposure limits

The Board has the overall responsibility of risk management which take care of manageing 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 including Asset Liability Management.

A) **Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management processes to provide early identification of possible deterioration in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Credit risk arises from loans financing, cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	As at March 31,2022	As at March 31,2021
Loans	805,931.43	996,110.63
Investments in Debentures	23,171.86	21,680.82
Trade receivables	110.62	376.86
Cash and cash equivalents	33,800.21	48,940.12
Other bank balances	61,903.66	36,519.90
Other financials asset	81.65	62.49

a) **Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system and external ratings.

From credit risk perspective, the Company's lending portfolio can be segregated into following broad categories:

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Trade receivables, Cash and cash equivalents, other bank balances, loans, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2022	As at March 31, 2021
Low credit risk		
Trade receivables	147.99	414.23
Cash and cash equivalents	33,800.21	48,940.12
Bank balances other than above	61,903.66	36,519.90
Loans	678,460.74	832,989.91
Investment in Debentures	23,300.05	21,824.01
Other financial assets	81.65	62.49
Moderate credit risk		
Loans	68,914.93	91,349.19
High credit risk		
Loans	105,194.40	134,638.02
Investments in Debentures	428.58	428.58

* These represent gross carrying values of financial assets without deduction of expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering collateral's from borrower's. The Company closely monitors the credit-worthiness of the borrowers through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for loan receivables amounts that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost include security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) **Credit risk exposure**

b) i) **Expected credit loss for loans**

A.1 Credit risk measurement

The Company measures credit risk of its exposure using:

(a) Internal Rating: Internal ratings are based on board approved policy that guides credit analysis to place borrowers in watch list based on specific risk factors such as project progress schedule, promoter's contribution, PPA status etc.

(b) External rating: PFS also captures external rating of its borrowers done by RBI approved credit rating agencies like ICRA, CARE, CRISIL and India rating etc.

These two together helps the Company in better monitoring of its borrowers. The stageing criteria for ECL computation is also driven by these two criteria. Stageing of an account gets impacted by taking into consideration both internal rating and external rating.

A.2 Expected credit loss measurement

A.2.1 Significant increase in credit risk and credit impaired financial assets

The Company considers a financial instrument to have experienced a significant increase based on the stageing criteria, which is aligned with ECL policy of the Company.

As per ECL policy, stage 2 contains all loan assets that are not defaulted as at reporting date, but have experienced a significant increase in credit risk since initial recognition (i.e. two notch downgrade in internal/ external risk rating or loan account with overdue of more than 30 days) or classified as high risk as per internal risk assessment.

A.2.2 Definition of default

The Company defines a financial instrument as in default, if any borrower whose contractual payments are due for more than 90 days, which is in line with RBI guidelines.

A.2.3 Explanation of inputs, assumptions and estimation techniques

Probability of default (PD) computation model

Probability of Default is the likelihood that the borrower will not be able to meets its obligations as and when it falls due.

Transition Matrix Approach is used for estimation of PD. ICRA's one-year transition matrix is used as the base probability of default matrix.

Stage 1: 12-month PDs are taken directly from one-year transition matrix and so, Point in Time (PIT) conversion is not done, as it is already giving PIT PDs.

Stage 2: PD for second year onwards is estimated using Matrix Multiplication Approach.

Stage 3: As the accounts classified into stage 3 are non-performing assets so probability of default is assumed to be 100%.

Loss given default (LGD) computation model

Loss Given Default is the percentage of total exposure which the borrower would not be able to recover in case of default.

Workout LGD approach has been used for LGD estimation.

LGD= (Economic loss + Cost of Recovery)/EAD

As at March 31, 2022, the Company has classified its few loans (financial assets) under stage III criteria, as enumerated in Ind AS 109, and the projects/ assets, underlying such loans are either pending for resolution under Insolvency and Bankruptcy Code (IBC) or under litigation. For measuring expected credit loss (ECL) allowance for loans wherein underlying projects/ assets have been under IBC proceedings, wherever available, the fair value attributable to the secured portion of such loans has been measured based on external evidence i.e. valuation of such projects/ assets as shared by the Resolution Professional (RP), appointed by NCLT under resolution proceedings, with the consortium of creditors, including the Company. The actual outcome in these cases is dependent upon the final settlement by the RP in accordance with IBC framework. For other loans under stage III, the fair value attributable to the secured portion of such loans has been measured based on other evidences, including one time settlement offer from the customer, valuation exercise done either by the consortium of lenders or by the Company, settlement proposals under discussions between the borrowers and the consortium of lenders/ Company.

For loans under stage I and stage II, the management has determined the value of secured portion, on the basis of best information available with the Company, including value of assets/ projects in the available balance sheets of the borrowers, technical and cost certificates provided by the experts and valuation exercise performed by external professionals either appointed by the Company or consortium of lenders, including the Company.

The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects/ assets of borrowers under IBC.

Basis of calculating loss rates

First step involved in ECL computation is stageing of the assets into three categories. Stageing of the financial assets depend on the deterioration of the credit quality of the assets over its lifetime. Performing assets fall under Stage I, underperforming assets fall under Stage II and impaired assets (non-performing) fall under Stage III.

The following points are considered for stage wise classification of credit exposures:

1. Stage III exposures are exposures where actual default events have occurred i.e. all credit exposures classified as Doubtful or Sub-Standard, or where significant deterioration in credit quality is envisaged.
2. Stage II exposure are exposures which are not considered impaired asset but were classified as 'Stressed Accounts' or are flagged as High-Risk Category.
3. All other accounts not meeting the first two criteria are classified as Stage 1 accounts.

Quantitative and qualitative factors considered along with quantification w.r.t loss rates

Impact of specific risk factors are taken into account while stageing of accounts and computation of PD. External credit rating is also used for stageing criteria. The industry of the borrower is also considered for classification of the borrower. If a borrower belonged to an industry under stress, then the borrower is classified as stage 2 or 3 account.

For computation of loss given default, haircuts on collateral, based on subjective parameters are used.

- Sector/Sub-sector
- Source of Power Generation
- PPA Status
- COD Status

A.2.4 Forward looking information incorporated in ECL models

The PDs are derived using the relationship of historic default rates of the portfolio and respective macroeconomic variable (GDP growth rate). Worst, Mild and Best scenarios are created for all the macroeconomic variable and default rates are estimated for all the four scenarios. The scenarios are arrived at by creating bins based on mean, minimum, maximum and standard deviation of the macro variable for the observed range of data. The differential default rates between the base scenario and the best, Worst and Mild scenarios are created/built to compute the shock factors. These shock factors were then added to the base PD term structure, which is arrived using the matrix multiplication technique, thereby creating four different PD term structures for the four Scenarios. These shocked PDs are used to compute lifetime ECL for stage 1 and stage 2 accounts.

A.3 Credit risk exposure and impairment loss allowance

	As at March 31, 2022		As at March 31, 2021	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage III)	105,194.40	37,360.85	134,638.02	57,310.15
Loan assets having significant increase in credit risk (Stage II)	68,914.93	4,726.50	91,349.19	2,316.60
Other loan assets (Stage I)*	678,460.74	4,551.29	832,989.91	3,239.74
Total	**852,570.07**	**46,638.64**	**1,058,977.12**	**62,866.49**

*Includes loans amounting to Rs 32.73 lakhs (Previous year Rs. 38.42 lakhs) given to employees.

A.3.1 Collateral and other credit enhancements

Loans are secured by :

i. Hypothecation of assets and/or

ii. Mortgage of property and /or

iii. Trust and retention account and /or

iv. Bank guarantee, Company guarantee or personal guarantee and / or

v. Assignment of receivables or rights and / or

vi. Pledge of shares and / or

vii. Undertaking to create a security

A.4 Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between stage 1 and Stage 2 or stage 3 due to financial instruments experiencing significant increase (or decrease) of credit risk or becoming credit-impaired in the period and the consequent “step up” (or “step down”) between 12-month and Lifetime ECL.
- Additional allowances for new financial instruments recognised during the period as well as releases for financial instruments de-recognised in the period.
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period arising from regular refreshing of inputs to models.
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

	Stage 1	Stage 2	Stage 3	
Loss allowance	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised cost				
Balance as at April 1, 2020	**4,690.53**	**2,378.90**	**40,822.57**	**47,892.00**
Transfer to/ from 12 months ECL	0.60	(0.60)	-	-
Transfer to/ from life time ECL not credit impaired	(394.51)	394.51	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(5,449.56)	5,449.56	-
Net remeasurement of loss allowance	(1,056.88)	4,993.35	19,184.75	23,121.22
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**

Loans and advances to customers at amortised cost				
Balance as at April 1, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**
Transfer to/ from 12 months ECL	581.97	(581.97)	-	-
Transfer to/ from life time ECL not credit impaired	(1,522.38)	1,522.38	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(3.14)	3.14	-
Net remeasurement of loss allowance	2,251.96	1,472.63	13,075.95	16,800.54
Write offs	-	-	(33,028.39)	(33,028.39)
Balance as at March 31, 2022	**4,551.29**	**4,726.50**	**37,360.85**	**46,638.64**

The following table further explains changes in the gross carrying amount of the loan portfolio to help in explaing their significance to the changes in the loss allowance for the same portfolio as discussed above:

	Stage 1	**Stage 2**	**Stage 3**	
Gross Exposure	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2020	**884,839.28**	**104,553.33**	**95,325.03**	**1,084,717.64**
Transfer to/ from 12 months ECL	1,926.09	(1,926.09)	-	-
Transfer to/ from life time ECL not credit impaired	(31,900.55)	31,900.55	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(51,122.18)	51,122.18	-
New Financial assets originated or purchased	152,248.21	10,266.92	-	162,515.13
Financial Assets that have been recognised/ (derecognised)	(174,161.54)	(2,323.34)	(3,662.46)	(180,147.34)
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**832,951.49**	**91,349.19**	**134,638.02**	**1,058,938.70**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2021	**832,951.49**	**91,349.19**	**134,638.02**	**1,058,938.70**
Transfer to/ from 12 months ECL	5,819.72	(5,819.72)	-	-
Transfer to/ from life time ECL not credit impaired	(15,222.23)	15,222.23	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(314.00)	314.00	-
New Financial assets originated or purchased	388,781.89	1.40	-	388,783.29
Financial Assets that have been recognised/ (derecognised)	(533,902.86)	(31,524.17)	3,270.77	(562,156.26)
Write offs	-	-	(33,028.39)	(33,028.39)
Balance as at March 31, 2022	**678,428.01**	**68,914.93**	**105,194.40**	**852,537.34**

A.5 Concentration of credit risk

The Company monitors concentration of credit risk by type of industry in which the borrower operates, further bifurcated into type of borrower, whether state or private.

Industry	**As at March 31, 2022**	**As at March 31, 2021**
Gross carrying amount of loans		
Concentration by industry		
Thermal	79,284.36	120,654.28
Renewable energy	233,311.83	455,472.51
Hydro	15,459.97	16,459.75
Distribution	180,667.46	169,121.46
Others*	343,846.45	297,269.12
	852,570.07	**1,058,977.12**

*Includes loans amounting to Rs 32.73 lakhs (March 31, 2021 Rs. 38.42 lakhs) given to employees.

A.6 Write off policy

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to other income in statement of profit and loss.

i) Expected credit losses for financial assets other than loans

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2022		Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents		33,800.21	0%	-	33,800.21
Other bank balance		61,903.66	0%	-	61,903.66
Investments		23,300.05	1%	128.19	23,171.86
Trade receivables		147.99	25%	37.37	110.62
Other financial assets		81.65	0%	-	81.65

As at March 31, 2021		Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents		48,940.12	0%	-	48,940.12
Other bank balance		36,519.90	0%	-	36,519.90
Investments		21,824.01	1%	143.19	21,680.82
Trade receivables		414.23	9%	37.37	376.86
Other financial assets		62.49	0%	-	62.49

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows (including interest income and interest expense). The Asset Liability Management Policy aims 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.

The tables below analyse the financial assets and liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Maturities of financial assets

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	110.62	-	-	-	110.62
Cash and Cash Equivalents	33,800.21	-	-	-	33,800.21
Bank balance other than (a) above	60,630.30	1,273.36	-	-	61,903.66
Derivative assets	372.42	-	636.05	-	1,008.47
Loans	265,535.28	239,930.00	181,894.75	441,453.60	1,128,813.63
Other financial assets	81.65	-	-	-	81.65
Total	**360,530.48**	**241,203.36**	**182,530.80**	**441,453.60**	**1,225,718.24**

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	376.86	-	-	-	376.86
Cash and Cash Equivalents	48,940.12				48,940.12
Bank balance other than (a) above	36,519.90	-	-	-	36,519.90
Derivative assets	-	1,127.67	-		1,127.67
Loans	316,985.46	333,194.89	184,173.89	551,283.40	1,385,637.64
Other financial assets	-	-	62.49	-	62.49
Total	**402,822.34**	**334,322.56**	**184,236.38**	**551,283.40**	**1,472,664.68**

Maturities of financial liabilities

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	260,151.96	286,160.90	224,013.82	107,686.18	878,012.86
Lease liability	387.54				387.54
Derivative liabilities		0.02			0.02
Trade payables	176.31				176.31
Other financial liabilities	11,720.09	955.31			12,675.40
Total	**272,435.90**	**287,116.23**	**224,013.82**	**107,686.18**	**891,252.13**

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	332,600.70	360,791.23	255,948.63	179,188.97	1,128,529.53
Lease liability	454.24	387.54	-	-	841.78
Derivative liabilities	-	0.02		-	0.02
Trade payables	505.96	-	-	-	505.96
Other financial liabilities	19,895.90	1,249.05	1,470.00	-	22,614.95
Total	**353,456.80**	**362,427.84**	**257,418.63**	**179,188.97**	**1,152,492.24**

Note: To address the risk of mismatch between pay-out of liabilities and realisation of assets in next one year, if any, the Company has adequate unused limits including short term working capital limits duly sanctioned by the banks.

C) **Market Risk**

a) **Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions. The policy on foreign exchange risk management 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 manageing the above mentioned risks. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company as per its overall strategy uses derivative contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings. The Company does not use derivative contracts for speculative purposes.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to INR at closing rate, is as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities (USD)		
Foreign currency loan (INR)	14,111.08	22,342.90
Net exposure to foreign currency risk (liabilities)	**14,111.08**	**22,342.90**

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at March 31, 2022	As at March 31, 2021
USD sensitivity*		
INR/USD- increase by 464 bp (March 31, 2021: 459 bp)	654.75	1,025.54
INR/USD- decrease by 464 bp (March 31, 2021: 459 bp)	(654.75)	(1,025.54)

** Holding all other variables constant*

b) **Interest rate risk**

i) **Liabilities**

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at March 31, 2022, the Company is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	692,400.54	815,045.98
Fixed rate borrowing	19,737.64	102,373.74
Total borrowings	**712,138.18**	**917,419.72**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2021:100 bps)	(6,924.01)	(8,150.46)
Interest rates – decrease by 100 basis points (March 31, 2021:100 bps)	6,924.01	8,150.46

** Holding all other variables constant*

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate bearing deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the loans:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Variable rate loans	823,787.09	899,616.60
Fixed rate loans*	28,782.98	159,360.52
Total loans	**852,570.07**	**1,058,977.12**

*Includes loans amounting to Rs 32.73 lakhs (March 31, 2021 Rs. 38.42 lakhs) given to employees.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March, 2022	As at 31 March, 2021
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2021:100 bps)	8,237.87	8,996.17
Interest rates – decrease by 100 basis points (March 31, 2021:100 bps)	(8,237.87)	(8,996.17)

** Holding all other variables constant*

c) Price risk

Exposure

The Company's exposure to price risk arises from investments held and classified in the balance sheet at fair value through other comprehensive income. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the end of the reporting period.

If equity price have been 10% higher/ lower:

- Other comprehensive income for the year ended March 31, 2022 would increase / decrease by ₹ Nil (for the year ended March 31, 2021: ₹256.29) as a result of the changes in fair value of equity investments measured at FVTOCI.

C) Legal and operational risk

i) Legal risk

Legal and operational risk
Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.
The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, nagative publicity,etc. are significantly reduced, As at March 31, 2022, there are no material legal cases pending against the Company. Based on the opinion of the Company's legal advisors, the management believes that no substantial liability is likely to arise from these cases.

ii) Operational risk

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks In the underlaying processes. The framework at its core, has the following elements:
1. Documented Operational Risk Management Policy.
2. Well defined Governance Structure.
3. Use of identification and Monltonng tools such as Loss Data "Capture, Key Risk Indicators. BRisk Operation Grading of branches every quarter.
4. Standardized reporting templates . reporting structure and frequency.

The Company has adopted the internationally accepted 3-lines of defence approach to operational risk management.
First line - Field Operations, Central Operation & Product function. Credlt and Internal Control & Quality vertical exercise & also evaluate internal compliance and thereby lay down/calibrates processes & policies for further improvement. Thus, the approach is "Bottom-up". ensuring acceptance of findings and faster adoption of corrective actions. if any. to ensure mitigation of perceived risks.
Second line - Independent risk management vertical supports the first line in providing deep analytics insights. Influencing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis.
Third lina - Internal Audit conducts periodic risk-based audits or all functions and process to provide an independent assurance to the Audit Committee.

45 **Ind AS 116 Leases**

This note explains the impact of the adoption of Ind AS 116 Leases on company's financial statements and discloses the new accounting policies that have been applied from 1 April 2019.

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases, using the "Modified Retrospective Approach" for transition. Based on the same and as permitted under the specific transitional provisions in the standard the company has not restated the comparative figures. On transition, the adoption of new standard has resulted in the recognition of right-of-use asset, classified in a consistent manner to its property, plant and equipment with a corresponding lease liability being measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

(a) On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.24%.

(b) The following are amounts recognised in profit or loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	419.25	419.25
Interest expense on lease liabilities	62.62	105.46
Expenses relating to short-term leases (included in cost of sales)	47.74	49.38
	529.61	**574.09**

(c) The following are amounts recognised in statement of cash flows:

Total cash outflow for leases	454.24	386.78

Please refer note 44(B) for maturity analysis of lease liability and maturity analysis of contractual undiscounted cash flows

46 **Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2022**

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	678,428.01	4,551.29	673,876.72	2,713.71	1,837.58
	Stage 2	68,914.93	4,726.50	64,188.43	988.64	3,737.86
	Stage 3	33,213.48	4,063.48	29,150.00	10,852.00	(6,788.52)
Subtotal		**780,556.42**	**13,341.27**	**767,215.15**	**14,554.35**	**(1,213.08)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	**312.60**	**2.65**	**309.95**	**31.40**	**(28.75)**
Doubtful - upto 1 year	Stage 3	12,766.51	207.04	12,559.47	2,553.31	(2,346.27)
1 to 3 years	Stage 3	38,069.47	18,127.05	19,942.42	33,679.42	(15,552.37)
More than 3 years	Stage 3	8,332.34	2,460.64	5,871.70	5,116.09	(2,655.45)
Subtotal for doubtful (Refer Note)		**59,168.32**	**20,794.73**	**38,373.59**	**41,348.82**	**(20,554.09)**

Loss	Stage 3	12,500.00	12,500.00	-	12,500.00	-
Subtotal for NPA		**71,980.92**	**33,297.38**	**38,683.54**	**53,880.22**	**(20,582.84)**
Total	**Stage 1**	**678,428.01**	**4,551.29**	**673,876.72**	**2,713.71**	**1,837.58**
	Stage 2	**68,914.93**	**4,726.50**	**64,188.43**	**988.64**	**3,737.86**
	Stage 3	**105,194.40**	**37,360.86**	**67,833.54**	**64,732.22**	**(27,371.36)**

Note: Rs 27,371.36 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as "Impairment Reserve" in the Balance Sheet. Refer Note 22.

The loan asset classified in stage III, under standard assets, amounting to Rs. 33,213 lakhs pertain to the borrower which has been overdue for more than one year however, in accordance with judicial pronouncement related this asset/ account, the account is not classified as NPA as at March 31, 2022. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to Rs. 4,063 lakhs and Impairment reserve amounting to Rs. 6,789 lakhs as at March 31, 2022.

One of the loan asset classified in stage III under doubtfull 1 to 3 years, amounting to Rs. 23,069 lakhs, pertain to the borrower which is classified as NPA on Feb 02, 2022 after completion of resolution plan and declaration of such asset as "Fraud' to RBI in Feb, 2022. However, for presentation in the table above, the categorisation is done based on actual dates since the account became overdue from December 1, 2018. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to Rs. 9,400 lakhs and Impairment reserve amounting to Rs. 13,669 lakhs as at March 31, 2022.

Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2021

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	832,951.49	3,239.73	829,711.76	3,331.80	(92.07)
	Stage 2	91,349.19	2,316.60	89,032.59	1,106.32	1,210.28
Subtotal		**924,300.68**	**5,556.33**	**918,744.35**	**4,438.12**	**1,118.21**
Non-Performing Assets (NPA)						
Substandard	Stage 3	51,122.18	5,449.56	45,672.62	10,147.22	(4,697.66)
Doubtful - upto 1 year	Stage 3	14,960.43	6,869.24	8,091.19	8,375.39	(1,506.15)
1 to 3 years	Stage 3	45,790.87	24,815.22	20,975.65	28,721.74	(3,906.52)
More than 3 years	Stage 3	22,764.54	20,176.14	2,588.40	22,670.72	(2,494.58)
Subtotal for doubtful (Refer Note)		**83,515.84**	**51,860.60**	**31,655.24**	**59,767.85**	**(7,907.25)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**
Total	**Stage 1**	**832,951.49**	**3,239.73**	**829,711.76**	**3,331.80**	**(92.07)**
	Stage 2	**91,349.19**	**2,316.60**	**89,032.59**	**1,106.32**	**1,210.28**
	Stage 3	**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**

Note: Rs 12,696.98 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as "Impairment Reserve" in the Balance Sheet.

47 **Earnings per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Basic earnings per share	2.02	0.40
b) Diluted earnings per share	2.02	0.40
c) Reconciliations of earnings used in calculating earnings per share		

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Earnings per share		
Profits attributable to the equity holders of the company used in calculating basic and diluted earnings per share	12,998.48	2,560.31
d) Weighted average number of shares used as the denominator		

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	642,283,335	642,283,335

Note: There are no potential equity shares in the Company.

48 **Foreign currency disclosure**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Earning in foreign currency	-	-
b) Expenses in foreign currency	1,056.70	1,553.30
b) Principal repayment	8,504.05	8,471.49

49 **Expenditure on Corporate Social Responsibility**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent	82.20	232.62
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	21.00	252.30
(c) Shortfall at the end of the year	61.20	-
(d) Total of previous years shortfall	61.20	-
(e) Reason of shortfall (*)		
(f) Nature of CSR activities (**)		
(g) Details of related party trasactions	-	220.99
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately		

At the beginning of the year	-	-
Fresh provision made during the year	-	-
Payment made during the year	-	-
At closing of the year	-	-

(*) During FY 2021-22, a CSR Committee Meeting of PFS could not be held, due to unforeseen circumstances, which resulted in non-approval of any CSR projects. As per Companies Act, 2013 and its amendments till date, the unspent CSR amount has been transferred to fund included in Sch. VII of the Act, within 6 months from the end of the financial year i.e. by September 2022.

(**) The objective of PFS's CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders.

50 The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

51 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.

52 There were no disputed dues in respect of Goods & Services Tax which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved*	Amount unpaid
Income-tax Act 1961	Income Tax	Income Tax Appellate Authority	2012-2017	2,936.70	937.09
		Upto Commissioner (Appeals)	2012-13, 2014-15, 2017-18	754.58	94.99

53 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:-

a) The title deeds of Immovable properties of the Company are held in the name of the Company.

b) There is no proceeding initiated or pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

c) The Company is not declared wilful defaulter by any bank or financial Institution or any other lenders.

d) Being a systemically important non-banking financial company registered with the Reserve Bank of India as per Reserve Bank of India Act, 1934 (2 of 1934), the provisions prescribed under clause (87) of Section 2 of the companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

e) There is no scheme of arrangement which has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

f) There were no transaction that had not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h) The Company does not have borrowings from banks or financial institutions on the basis of security of current assets. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation.

i) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

j) The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

k) All the charges with respect to borrowings have been created in favor of lenders with ROC within statutory timeline during the financial year FY 2021-22. Further satisfaction of charges for certain borrowings which were duly repaid to lenders are due for satisfaction with ROC as at March 31, 2022.

l) The Company has not entered into any transactions with the companies struck off under section 248 of the Act or section 560 of the Companies Act, 1956.

m) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are: (a)repayable on demand or (b) without specifying any terms or period of repayment

54 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post employment. has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet Issued. The Company will assess the impact of the Code and will give approprjate Impact In the financial statements in the period In which, the Code becomes effective and the related rules to determine the financial impact are published.

55 (a) On January 19, 2022, three independent directors of the Company resigned mentioning lapses in corporate governance and compliance. Since then RBI, SEBI and ROC (the "Regulators") have reached out to the Company with their queries regarding the allegations made by the then independent directors and directed the Company to submit its response against such allegations. SEBI also directed the Company to submit its Action Taken Report (ATR), together with Company's response against such allegations. Basis the forensic audit report which was received by the Company on 4th Nov, 2022 and other inputs from professional services firm retained by the Management, it has been decided that the management shall take necessary corrective actions and submit its ATR, if required, to the satisfaction of SEBI.

On February 11, 2022, RBI sent its team at the Company office to conduct scrutiny on the matters alleged in the resignation letters of ex-independent directors. While the RBI's team completed its scrutiny at Company's office on February 14, 2022 and the Company has satisfactorily responded to all queries and requests for information but has not received any further communication from RBI in this regard.

On November 4, 2022, the Forensic auditor appointed by the Company, submitted its forensic audit report. The Company engaged a reputed professional services firm to independently review the management's response and independent review of documents supporting such response and commenting on such observations, including financial implications and any indication towards suspected fraud. The management's responses and remarks of professional services firm, together with report of forensic auditor, have been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022.

(b) SEBI vide its email dated March 2, 2022, rejected the ATR submitted by the Company and not acceded the Company's request for conducting Board Meeting without an independent director. Subsequent to this, with recommendation of the Holding Company, the Company appointed four independent directors through circular resolution. These directors are also independent directors on the Board of the Holding Company. Prior to the appointment of the independent directors, Chairman of PTC India Limited vide email dated March 25, 2022, informed RBI and SEBI about the proposed nomination of four independent directors of PTC India Limited to the board of the Company, and post appointment, disclosures on such appointments have been made to the stock exchanges. On April 19, 2022, the Chairman, PTC India Limited sent another email to SEBI, with specific reference to earlier email dated March 25, 2022, and SEBI in its email dated April 19, 2022 has acknowledged the same. The Company has also made necessary communication to Stock Exchanges regarding appointment of directors and holding of board meetings. The Company, basis its discussions with SEBI and RBI as also summarized in such emails and advise received from external legal firm, believes that there is no non-compliance with SEBI's directions vide its email dated March 2, 2022. On June 28, 2022, the SEBI also directed the Company for waiving-off with the requirements of regulation 17 (1C) of SEBI LODR guidelines regarding ratification of directors' appointment in shareholders' meeting within 3 months from the date of their appointment by the Board

(c) Post resignation of ex-independent directors, the Company has not been able to comply with the various provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to non-constitution of committees and sub-committees of the Board, timely conduct of their meetings and non-filing of annual and quarterly results with respective authorities. The Company intends to file for condonation of delay for non-compliance of such provisions with respective authorities and does not expect any material financial impact, if any, due to fines/ penalties arising from such process.

56 As at March 31, 2022, for loans under stage I and stage II, the management has determined the value of secured portion on the basis of best available information including book value of assets/ projects as per latest available balance sheet of the borrowers, technical and cost certificates provided by the experts and valuation of underlying assets performed by external professionals appointed either by the Company or consortium of lenders. For loan under stage 3, the management has determined the value of secured portion on the basis of best available information, including valuation of underlying assets by external consultant/ resolution professional (RP) for loan assets under IBC proceedings, claim amount in case of litigation and proposed resolution for loan under resolution through Insolvency and Bankruptcy Code (IBC) or settlement. The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects/ assets of borrowers under IBC.

57 The Company had received a communication from ROC on March 28, 2018, pursuant to complaints received from identified third parties, alleging mismanagement in the Company's operations. The Company had submitted a reply dated April 18, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. Company received another letter dated September 24, 2021 u/s 206(4) of the Companies Act, 2013 from Office of Registrar of Companies, Ministry of Corporate affairs initiating inquiry and seeking specified information/ documents, primarily related to the period upto FY 2018-19. The Company had submitted the reply, with requisite information/ documents, in response to the letter on October 22, 2021. While the Company responded to this notice on October 22, 2021 and no further intimation from ROC has been received till date.

58 As at March 31, 2022, the Company has assessed its financial position including expected realization of assets and payment of liabilities including borrowings and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in at least 12 months from the reporting date.

59 Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

Particulars	During the quarter/ year ended March 31, 2022
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

60 Other comprehensive income includes profit (net of tax) amounting to Rs. 795.64 lakhs by selling 21,904,762 nos. of equity shares of M/s Patel Engineering Limited which were acquired as a part of one time settlement of loan of M/s Dirang Energy Pvt. Ltd.

61 On November 12, 2021, the Reserve Bank of India ("RBI") had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms ("IRACP norms") pertaining to Advances. On February 15, 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30, 2022. Accordingly, the Company is under process to implement the updated norms under IRACP norms.

62 (a) In the year 2014-15, based on an independent investigation into the affairs of R. S. India Wind Energy Private Limited (Associate), the Company had concluded that in earlier years, the Associate and its promoters had misrepresented various facts to it and induced it to make investments aggregating Rs. 6,112.14 lacs in the Associate. The Company had filed a criminal complaint against the Associate and its promoters and is taking suitable steps both under civil and criminal law to safeguard its investments and to recover the same. Pending outcome thereof, the Company has fully provided for the diminution in value of investment held in this Associate.

(b) Further, the financial statements for the year ended March 31, 2019 of RS India Wind Energy India Private Limited (RSIWEPL) and Varma Bio Energy Pvt Ltd, associates of the Company are not available for consolidation purposes. However, in view of the management, since the Company has made full provision for diminution for its investments held in these 2 Associates and there is no further obligation over and above the cost of the investments, there will be no impact thereof on these financial statements in terms of the requirements of Ind AS–28 "Investments in Associates and Joint Ventures".

63 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure

64 **Ratios to be disclosed as per requirements of Schedule III of the Act**

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	Capital to risk-weighted assets ratio (CRAR)		
	Capital *	199,018.79	192,833.67
	Risk-weighted assets ratio #	745,057.49	800,103.57
	Capital to risk-weighted assets ratio (CRAR)	**26.71%**	**24.10%**
	% Change as compared to the preceeding year	10.83%	
B.	Tier I CRAR		
	Tier I capital *	194,467.50	189,593.93
	Risk-weighted assets ratio #	745,057.49	800,103.57
	Tier I CRAR	**26.10%**	**23.70%**
	% Change as compared to the preceeding year	10.15%	
C.	Tier II CRAR		
	Tier II capital *	4,551.29	3,239.74
	Risk-weighted assets ratio #	745,057.49	800,103.57
	Tier II CRAR	**0.61%**	**0.40%**
	% Change as compared to the preceeding year	50.86%	

D.	Liquidity coverage ratio		
	High quality liquid assets	85,698.00	82,089.00
	Total net cash flows	97,696.73	93,100.51
	Liquidity coverage ratio	87.72%	88.17%
	% Change as compared to the preceding year	-0.51%	
E.	Current Ratio [1]	Not Applicable	Not Applicable
F.	Debt equity ratio [2]	3.14	4.37
G.	Debt service coverage ratio [1]	Not Applicable	Not Applicable
H.	Return on equity ratio [3]	5.93%	1.22%
I.	Trade receivable turnover ratio [1]	Not Applicable	Not Applicable
J.	Trade payable turnover ratio [1]	Not Applicable	Not Applicable
K.	Net capital turnover ratio [1]	Not Applicable	Not Applicable
L.	Net profit ratio [4]	13.42%	2.25%
M.	Return on capital employed [1]	33.29%	39.86%
N.	Return on investment [1]	Not Applicable	Not Applicable

Notes :-

1 The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are not applicable

2 Debt - equity ratio = (debt securities + borrowings - other than debt securities + subordinated liabilities) / net worth, where net worth is aggregate of equiry share capital and other equity

3 Return on equity ratio = profit after tax / average net worth

4 Net profit ratio = profit after tax / total income

65. Schedule-III additional disclosure on Consolidated Financial Statements As on 31st March, 2022

As at and for the year ended March 31, 2022

Name of the entity in the group	Country of incorporation	Net Asset, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
1		2	3	4	5	6	7	8	9
Parent									
PTC India Financial Services Limited	India	100.00	226,387.29	100.00	12,998.48	100.00	933.45	100.00	13,931.93
Associates (Investments as per the equity method)									
Indian									
R.S. India Wind Energy Private Limited	India	-	-	-	-	-	-	-	-
Varam Bio Energy Private Limited	India	-	-	-	-	-	-	-	-
Total		**100.00**	**226,387.29**	**100.00**	**12,998.48**	**100.00**	**933.45**	**100.00**	**13,931.93**

As at and for the year ended March 31, 2021

Name of the entity in the group	Country of incorporation	Net Asset, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
1		2	3	4	5	6	7	8	9
Parent									
PTC India Financial Services Limited	India	100.00	211,950.43	100.00	2,560.31	100.00	(657.03)	100.00	1,903.28
Associates (Investments as per the equity method)									
Indian									
R.S. India Wind Energy Private Limited	India	-	-	-	-	-	-	-	-
Varam Bio Energy Private Limited	India	-	-	-	-	-	-	-	-
Total		**100.00**	**211,950.43**	**100.00**	**2,560.31**	**100.00**	**(657.03)**	**100.00**	**1,903.28**

In terms of our report attached
For MSKA & Associates
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : November 16, 2022

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Ramesh Narain Misra
Director
DIN: 03109225

Sd/-
Mohit Seth
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : November 15, 2022

PTC INDIA FINANCIAL SERVICES LIMITED

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Consolidated Annual Audited Financial Results

(₹ in lakhs)

I.	Sl. No.	Particulars	Audited Figures for the year ended March 31, 2022 (as reported before adjusting for qualifications)	Audited Figures for the year ended March 31, 2022 (as reported after adjusting for qualifications)
	1	Turnover / Total income	96,873.82	96,873.82
	2	Total Expenditure	79,482.60	79,482.60
	3	Net Profit/(Loss)	12,998.48	12,998.48
	4	Earnings Per Share	2.02	2.02
	5	Total Assets	951,633.00	951,633.00
	6	Total Liabilities	725,245.71	725,245.71
	7	Net Worth	226,387.29	226,387.29
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

II. **Audit Qualification (each audit qualification separately):**

b. **Details of Audit Qualification:** Please refer to the accompanying Independent Auditor's Report on Consolidated (UDIN: 22505676BDFVDW7478) Results dated November 16, 2022.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** First time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:** Not quantifiable, see note below.

(ii) **If management is unable to estimate the impact, reasons for the same:** Forensic auditor has not quantified.

b. (iii) **Auditors' Comments on (i) or (ii) above:** Please refer 'Basis of qualified opinion' included in the accompanying Independent Auditor's Report on Consolidated (UDIN: 22505676BDFVDW7478) Results dated November 16, 2022.

III. **Signatories:**

CEO/Managing Director (Dr. Pawan Singh) PAWAN SINGH Digitally signed by PAWAN SINGH Date: 2022.11.16 15:51:22 +05'30'

Chief Financial Officer (Sanjay Rustagi)

Audit Committee Chairman (Jayant P Gokhale) Jayant Purushottam Gokhale

Statutory Auditor (Rahul Aggarwal) RAHUL AGGARWAL

Place: New Delhi

November 16, 2022

PTC India Financial Services Limited

(A subsidiary of PTC India Limited)

CIN: L65999DL2006PLC153373

Registered Office: 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi – 110 066, India
Tel: +91 11 26737300, Fax: +91 11 26737373
Website: www.ptcfinancial.com E-mail: info@ptcfinancial.com

FORM FOR ECS MANDATE/BANK MANDATE

UNIT: PTC India Financial Services Limited

I/We____ do hereby authorize the Company:-

1) Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Service (ECS)

2) Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me

Folio No:
Name of the 1st Shareholder:
Name of the Bank:
Branch:
Bank Address with Pin code:
Bank Account Number:
Account Type (Savings/Current/Others):
9 Digit MICR Code number: (Please provide a cancelled / Photo copy cheque)
Registered Address:

Signature of 1st holder	Signature of 2nd holder	Signature of 3rd holder

(Please provide an attested copy of PAN Card of the 1st holder along with this request)

NOTES

Design & Printed at MP Printers, Noida 201305

PTC India Financial Services Ltd.
(A Subsidiary of PTC India Limited)
CIN: L65999DL2006PLC153373

Registered Office:
7th Floor Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi 110066 INDIA
Tel: +91 11 26737300/ 26737400, Fax: +91 11 26737373/ 26737374
Website: www.ptcfinancial.com