



PTC INDIA LIMITED

14TH ANNUAL REPORT 2012-2013



Vision

“To be a frontrunner in power trading by developing a vibrant power market and striving to correct market distortions”

- Promote Power Trading to optimally utilize the existing resources.
- Develop power market for market based investments into the Indian Power Sector.
- Facilitate development of power projects particularly through private investment.
 - Promote exchange of power with neighbouring countries.

- Transparency
- The Customer is always right
- Encouraging Individual initiative
- Continuous Learning
- Teamwork

FOURTEENTH ANNUAL GENERAL MEETING

To be held on Monday, 19th August, 2013 at 3.00 PM
at FICCI Auditorium, 1 Federation House, Tansen Marg,
New Delhi - 110 001

NOTE:

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

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BOARD OF DIRECTORS

1. Shri Deepak Amitabh, CMD, PTC
2. Shri S.N. Goel, Director, PTC
3. Smt. Rita Acharya, Joint Secretary, MOP
4. Shri Anil Razdan, Director, PTC
5. Shri Dharendra Swarup, Director, PTC
6. Shri Dipak Chatterjee, Director, PTC
7. Shri H.L. Bajaj, Director, PTC
8. Shri Hemant Bhargava, ED, LIC
9. Shri I. J. Kapoor, Director, NTPC
10. Shri M.K. Goel, Director , PFC
11. Shri M.S. Babu, ED, NHPC
12. Shri Ravi P. Singh, Director, POWERGRID
13. Shri S. Balachandran, Director, PTC
14. Shri Ved Jain, Director, PTC

Company Secretary

Shri Rajiv Maheshwari

Statutory Auditors

M/s. K. G. Somani & Co.

Internal Auditors

M/s. Ravi Rajan & Co.

Registrar and Share Transfer Agents

M/s. MCS Limited

F-65, Okhla Industrial Area, Phase-I

New Delhi - 110 020

Phone: 41406149; Fax: 41709881

Principal Bankers

IDBI Bank Ltd.

Indian Overseas Bank

State Bank of Travancore

ICICI Bank

Indian Bank

Indusind Bank

Corporation Bank

Yes Bank

NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of the Members of PTC India Ltd. (PTC) will be held on Monday, the 19th August, 2013 at 03:00 p.m. at FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013, Profit & Loss Account for the year ended on that date, the Auditors' report thereon and the Director's Report for the financial year 2012-13.
2. To consider and if thought fit, to pass with or without modification (s), the following resolution for dividend for the Financial Year 2012-2013 as ordinary Resolution:

"Resolved that pursuant to provision of Section 205 and other applicable provisions of the Companies Act, 1956, dividend at the rate of 16% (Rs.1.6 per equity share of Rs.10 each) be and is hereby declared for the financial year 2012-13, out of the profits of the Company on the 296008321 equity shares of Rs. 10/- each fully paid up to be paid as per the ownership as on 10th August, 2013."

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

"Resolved that Shri I. J. Kapoor who retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as Director."

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

"Resolved that Shri Hemant Bhargava, who retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as Director."

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

"Resolved that Shri Ved Jain who retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as Director."

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

"Resolved that Shri Dipak Chatterjee who retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as Director."

7. To consider and if thought fit, to pass with or without modification (s), the following resolutions for appointment and fixation of the remuneration for the Statutory Auditors for the Financial Year 2013-2014 as Special Resolutions:

"Resolved that pursuant to the provisions of Section 224A of the Companies Act, 1956, M/s K.G Somani & Co. Chartered Accountants (ICAI Registration no.006591N), 3/15, Asif Ali Road, New Delhi-110002, be and is hereby appointed as the Statutory Auditor of the Company for the Financial Year 2013 - 2014 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors or the Audit Committee of the Company.

Further resolved that Board of Directors/ Audit Committee of the Company be and is hereby authorized to take necessary actions in this regard."

SPECIAL BUSINESS

8. To appoint Shri M.S. Babu (who in pursuance of section 260 of the Companies Act, 1956 was appointed as an Additional Director by the Board of Directors w.e.f. 1st March, 2013 and he holds the office of Director only up to the date of ensuing Annual General Meeting), in respect of whom the Company has received a notice in writing from a Member proposing his

candidature for the office of Director under Section 257 of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification (s), the following resolutions for appointment Shri M.S. Babu as Director as ordinary Resolutions:

"Resolved that pursuant to Section 257 of the Companies Act, 1956, Shri M.S. Babu be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.

Further resolved that any Director or Company Secretary of the Company be and is hereby authorized to do all such acts including filing of necessary intimation with ROC for above purpose."

- (9) To consider and if thought fit, to pass with or without modification (s), the following resolutions for appointment of Shri S.N. Goel as Whole-time Director as ordinary Resolutions:

"Resolved that subject to the applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), and the Articles of Association of the Company and other terms as may be prescribed by the Board of Directors for his appointment, the consent of the Company be and is hereby accorded to the appointment of Shri S.N. Goel as Whole-time Director or with such designation as may be decided by the Board of Directors from time to time w.e.f. 27th September, 2013, for a period of five years or date of superannuation whichever occurs earlier.

Further Resolved that total remuneration (including all perquisites) for Shri S.N. Goel shall be in accordance with the Company's policies and shall be subject to the applicable provisions relating to remuneration as specified under The Companies Act, 1956.

Further Resolved that the Board and/ or a duly constituted Committee of the Board be and is hereby authorized to fix, vary and/or to revise the remuneration of Shri S.N. Goel within the afore-stated overall limits and the Board is further authorized to settle any question in connection therewith or incidental thereto."

- (10) To consider and if thought fit, to pass with or without modification (s), the following resolutions for appointment of Shri Deepak Amitabh as Chairman & Managing Director as ordinary Resolutions:

"Resolved that subject to the applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), and the Articles of Association of the Company and other terms as may be prescribed by the Board of Directors for his appointment, the consent of the Company be and is hereby accorded to the appointment of Shri Deepak Amitabh as Chairman and Managing Director w.e.f. 16th October, 2012, for a period of five years of date or superannuation whichever occurs earlier.

Further Resolved that total remuneration (including all perquisites) for Shri Deepak Amitabh shall be in accordance with the Company's policies and shall be subject to the applicable provisions relating to remuneration as specified under The Companies Act, 1956.

Further Resolved that the Board and/ or a duly constituted Committee of the Board be and is hereby authorized to fix, vary and/or to revise the remuneration of Shri Deepak Amitabh within the afore-stated overall limits and the Board is further authorized to settle any question in connection therewith or incidental thereto."

- (11) To consider and if thought fit, to pass with or without modification (s), the following resolutions for appointment of Shri Pallav Kapoor as an employee of the Company as Special Resolutions:

"Resolved that pursuant to the provisions of Section 314 (1) of the Companies



Act, 1956, the approval be and is hereby accorded to appoint Shri Pallav Kapoor, son of Shri I.J. Kapoor, Director as an employee of the Company (holding office of profit under the company) as per the Company rules and with such terms and conditions including relating to the remuneration as contained in his appointment letter and as per the Company policy with effect from the date of his joining.

Further Resolved that total remuneration (including all perquisites) of Shri Pallav Kapoor shall be in accordance with the Company's policies and shall be subject to the applicable provisions as may be applicable to him under the Companies Act, 1956 and the CMD is hereby authorized to fix, vary and/or to revise the remuneration of Shri Pallav Kapoor, as per the Company policy and to settle any question in connection therewith or incidental thereto.

Further resolved that any Director / CS is authorized to file such forms and to take other necessary actions as may be required to comply with the legal provisions”

By Order of the Board of Directors,
For **PTC INDIA LTD.**

(Rajiv Maheshwari)
Company Secretary

Place : New Delhi
Date : 8th July, 2013

Notes:

1. A Member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the Company. A proxy form is enclosed. The instrument appointing a proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business set out in the notice is enclosed.
3. Brief resume of Directors seeking appointment and re-appointment as prescribed under clause 49 of the Listing Agreement is annexed hereto and forms part of the notice.
4. Corporate members intending to send 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 notice or in the accompanying explanatory statement are open for inspection at the registered office of the Company on all working days between 11:00 a.m and 1:00 p.m. up to the date of Annual General Meeting.
6. The details pertaining to the appointment / reappointment of Directors are furnished in statement of Corporate Governance in the Directors’ Report/ in the Explanatory Statement in the notice.
7. The Company has notified closure of Register of Members and Share Transfer Books from 12th August, 2013 to 19th August, 2013 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting. The dividend in respect of equity shares held in electronic form will be paid on the basis of beneficial ownership existing as on 10th August, 2013 and as per details available from NSDL and CDSL.
8. Members/ proxies should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
9. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

10. Shareholders holding the shares in physical form and desirous of making nominations, as provided by Section 109A of Companies Act 1956, are requested to send their requests in Form No. 2B in duplicate (which will be made available on request).
11. In respect of shareholders’ holding shares in electronic form, members are requested to notify any change of address and change in bank details to their Depositories Participants.
12. The communication address of our Registrar and Share Transfer Agent (RTA) is MCS Limited, F-65, Okhla Industrial Area -Phase-I, New Delhi-110020.
13. Annual Listing fee for the year 2013-14 has been paid to Stock Exchanges where the Equity Shares of Company are listed.
14. Members are requested to notify immediately any change of address :
 - i) to their DP in respect of Shares held in dematerialized form
 - ii) to RTA i.e. M/s MCS Ltd. in respect of their physical shares, if any, quoting their folio number.
15. For Electronic Clearing System facility for crediting dividend directly to your designated bank accounts, shareholders are requested to give their mandate in the form enclosed.
16. The entire Annual Report is also available at the Company’s Website www.ptcindia.com.
17. The Company is not providing Video Conferencing facility for this meeting.
18. Members who wish to claim Dividends, which remain unpaid, are requested to correspond with our Registrar and Share Transfer Agent (RTA) i.e. M/s MCS Ltd. Members are requested to note that dividend not en-cashed / claimed within seven years and 30 days from date of declaration of dividend, will, as per Section 205A (5) read with Section 205C of the Companies Act, 1956, be transferred to Investor Education Protection Fund of Government of India. In view of this, members are requested to send all un-cashed dividend warrants pertaining to respective years to Company/ RTA for revalidation and en-cash them before due date.
19. As per circular no.18/2011 on Green initiative, the Company will send annual Report along with other documents through email to all members, who have registered their email address with the depository and physical hard copies will be dispatched to others. In case any member desire to get hard copy of Annual Report, they can write to Company at registered office address or email at cs@ptcindia.com OR admin@mcsdel.com.

Important Communication to Members

The Ministry of Corporate Affairs (MCA), Government of India, has taken a Green Initiative in the Corporate Governance by allowing paperless compliance by the Companies and has issued circulars stating that service of notice/ Documents including annual report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their respective Depository Participants. Members who hold shares in physical form are requested to provide details of their email addresses to Registrar and Transfer Agent of the Company at admin@mcsdel.com.

To: All Shareholders, Directors and Auditors

Annexure to the Notice

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

Item no. 3

Shri I.J. Kapoor

Shri I.J. Kapoor, aged about 57 years is a Graduate in Mechanical Engineering and Master in Business Administration (Marketing). He is a nominee Director

of NTPC Limited, which is a Promoter Company of PTC where he is Director (Commercial). He is Fellow of Institution of Engineers, India.

Shri I.J.Kapoor does not have any shareholding in the Company and he is not a member / Chairman of Committee of Board in the other Companies.

None of the Director other than Shri I. J. Kapoor is interested in the proposal of his own re-appointment. The Board recommends the above proposal for approval. Brief profile of Shri I J Kapoor is annexed.

Item no. 4

Shri Hemant Bhargava

Shri Hemant Bhargava, aged about 53 years is appointed as Independent Director. He is Master in Economics. He is nominee of Life Insurance Corporation of India Limited on the Board of the Company

Shri Hemant Bhargava does not have any shareholding in the company.

None of the Director other than Shri Hemant Bhargava is interested in his own appointment. The Board recommends the above proposal for approval. Brief profile of Shri Hemant Bhargava is annexed.

Item no. 5

Shri Ved Jain

Shri Ved Jain, aged about 58 years is appointed as Independent Director. He is Chartered Accountant by Profession and ex-President of ICAI. He has rich experience of Finance.

Shri Ved Jain does not have any shareholding in the Company.

None of the Director other than Shri Ved Jain is interested in his own appointment. The Board recommends the above proposal for approval. Brief profile of Shri Ved Jain is annexed.

Item no. 6

Shri. Dipak Chatterjee

Shri Dipak Chatterjee, aged about 69 years is appointed as Independent Director. He is a Retd. IAS officer and has worked as Secretary to Government of India.

Shri Dipak Chatterjee does not have any shareholding in the company.

None of the Director other than Shri Dipak Chatterjee is interested in his own appointment. The Board recommends the above proposal for approval. Brief profile of Shri Dipak Chatterjee is annexed.

Item no. 8

Shri M. S. Babu

Shri M. S. Babu aged about 52 Years holds a Degree in B.E. (Technology). He is a nominee Director of NHPC Limited, which is a Promoter Company of PTC where he is ED (Commercial). He was appointed as additional director on the Board of Company w.e.f. 01st March, 2013.

The above appointment of Shri M S Babu, as Director being liable to retire by rotation in terms of Section 255 of the Companies Act, 1956 requires approval of the Members in the General Meeting. Brief resume of Shri M S Babu is annexed.

Shri M S Babu does not have any shareholding in the Company.

None of the Directors except Shri M S Babu is interested or concerned in the resolution of his appointment. The Board recommends the resolution for your approval.

Item no. 9

Shri S. N. Goel

Shri S. N. Goel being Whole- Time Director is not liable to retire by rotation

Shri S N Goel, aged about 59 years is a Graduate in Electrical Engineering and Master in Business Administration (Finance).

Shri S N Goel holds 1000 equity shares of the Company.

None of the Director other than Shri S N Goel is interested in the proposal of his own re-appointment. The Board recommends the above proposal for approval. Brief profile of Shri S N Goel is annexed.

Item no. 10

Shri Deepak Amitabh

Shri Deepak Amitabh being the Chairman & Managing Director is not liable to retire by rotation.

Shri Deepak Amitabh, aged about 52 years holds Master Degree in Physics and he is Ex- IRS officer.

Shri Deepak Amitabh holds 79857 equity shares in the Company.

None of the Director other than Shri Deepak Amitabh is interested in the proposal of his own re-appointment. The Board recommends the above proposal for approval. Brief profile of Shri Deepak Amitabh is annexed.

Item no. 11

Appointment of Shri Pallav Kapoor

Shri Pallav Kapoor, aged about 30 years is a graduate in Commerce from Delhi University and a post graduate in Business Management. He is presently working with M/s. Videocon Ltd. as Manager. Shri Pallav Kapoor is a relative (son) of Shri I.J. Kapoor who is nominee Director of NTPC Limited, which is a Promoter Company of PTC where he is Director (Commercial).

Based on the open advertisement issued by the Company, the internal interview Committee of PTC had found Shri Pallav Kapoor as suitable candidate and accordingly, recommended the appointment of Shri Pallav Kapoor and the Board of Directors at their meeting held on 8th July, 2013 have also approved his appointment as an employee of the Company w.e.f. the date of his joining with remuneration as per the Company policy. The remuneration shall be less than Rs. 2, 50,000/- per month and Rs. 30, 00,000 per year including the allowances, perquisites and benefits etc. which are payable as per rules of the company.

The proposal requires the approval of shareholders by way of a special resolution under provisions of section 314 (1) (b) of the Companies Act, 1956.

The copies of the documents relating to the appointment of Shri Pallav Kapoor have been kept for inspection of the members of the company.

None of the Director other than Shri I. J. Kapoor is interested in the proposal of appointment. The Board recommends the above proposal for approval.

By Order of the Board of Directors,
For PTC INDIA LTD.



Place : New Delhi
Date : 8th July, 2013

(Rajiv Maheshwari)
Company Secretary



Brief Profile of Directors seeking Re-appointment at 14th Annual General Meeting

Name	Date of Birth	Qualifications	Expertise	Directorship in other Companies	Membership/ Chairmanship of Audit and Shareholders Grievance committees other than in PTC
Shri I J Kapoor	05-10-1956	B.E. (Mechanical)	Mr. I. J. Kapoor, is the nominee Director of NTPC in the PTC Board since 1st June 2008 and working as Director (Commercial) in NTPC since December 2008. A Graduate in Mechanical Engineering and Masters in Business Administration (Marketing), he joined NTPC in 1978 as 3rd batch Engineering Executive Trainee (EET) and is the first EET to be on the Board of the Company. He has a rich and varied experience of over 34 years in the areas of Commercial, Engineering, Contracts & Materials Management, Project Management, Consultancy, Cost Engineering, Station Engineering and Quality Assurance & Inspection. Prior to his elevation as Director (Commercial), he was Regional Executive Director (National Capital), NTPC.	(1) NTPC Limited (2) NTPC Vidyut Vyapar Nigam Limited (3) Meja Urja Nigam Private Limited (4) NTPC BHEL Power Projects Private Limited (5) Aravali Power Company Private Limited (6) Bangladesh - India Friendship Power Co. Pvt Ltd.	Nil
Shri Hemant Bhargava	20-07-1959	Master in Economics	Shri Hemant Bhargava, ED, LIC of India has been appointed as nominee Director of LIC on PTC Board. Same is effective from 25th June, 2010. He has rich experience of more than 31 years in Life Insurance in India and abroad. He has been Country head LIC Mauritius, Head of International Operations SBU of LIC, Founded Micro insurance vertical for LIC, was ED Marketing and Product Development for the Corporation, was founder CEO of LIC Cards Services Ltd. He is also founder President of Indo Mauritian Business Group in Mauritius. Shri Bhargava has served on the Boards of National Mutual Fund, Mauritius, LIC Mauritius Offshore Ltd., Krishna Knitwear Ltd., Mumbai. He is a member of Insurance Institute of India AC and also appointed as Director on the board of NEDFi Ltd., Guwahati.	M/s. NEDFi Ltd.	Audit Committee of M/s. NEDFi Ltd.
Shri Ved Jain	15-12-1953	Chartered Accountant	Shri Ved Jain, a member of the ICAI with more than 30 years of standing has held various positions like Chairman and Vice-Chairman of Fiscal Laws Committee and Chairman of Audit Committee. Besides the above, he has also served on the Executive Committee, Disciplinary Committee, Accounting Standards Board, Auditing & Assurance Standards Board, Committee for Members in Industry, Committee on Financial Market and Investor's Protection, Professional Development Committee, Board of Studies, Committee on Ethical Standards, Editorial Board, Continuing Professional Education Committee, International Affairs Committee, Committee on Accounting Standards for Local Bodies as a Member. He also specializes in Direct Taxes and has about 27 years experience of handling complicated tax matters, appeals, tax planning of big Corporate. He has also been a member of Income Tax Appellate Tribunal, Ministry of Law, Justice & Company Affairs, Govt. of India. He regularly contributes articles on tax matters to various journals and newspapers. He is a Fellow Chartered Accountant and holds Bachelor's degrees in law, science and economics	(1) Maytas Properties Limited, (2) National Aluminum Company Limited (3) IL&FS Engineering and Construction Company Ltd. (4) PTC India Financial Services Limited (5) VJ Corporate Advisors Private Limited (6) Urban Improvement Company Pvt. Ltd. (7) ICAI Accounting Research Foundation	(1) IL&FS Engineering and Construction Company Ltd. - -Audit Committee (Chairman) -Shareholder/ Investor grievance Committee (Member) (2) Maytas Properties Limited - Audit Committee (Chairman)
Shri Dipak Chatterjee	24-06-1944	Indian Administrative Services-Retd. (IAS-Retd.)	Shri Dipak Chatterjee studied in St. Stephens College, Delhi and obtained an M.Sc (Physics) degree. Later he also got an M.Sc. (Economics) degree from University of Wales U.K. He served for nearly thirty years in the Government and served as Secretary to the Gov. of India in three Ministries. After retirement he was India's Ambassador to the European Union, Belgium and Luxembourg. He has been a Consultant to the Asian Development Bank and the Commonwealth Fund for Technical Cooperation. He was assigned by the C.F.T.C. to advise the Govt. Of Kenya for two years on External Debt Management.	(1) United Stock Exchange of India Ltd. (2) Mideast Integrated Steels Limited	(1) USE India Ltd.- Audit Committee (Member)

Brief Profile of Directors seeking Appointment/Confirmation at 14th Annual General Meeting

Name	Date of Birth	Qualifications	Expertise	Directorship in other Companies	Membership/ Chairmanship of Audit and Shareholders Grievance committees other than in PTC
Shri M S Babu	18-05-1960	B.Sc. (Engg.)- Electrical	<p>Shri M.S. Babu, ED (Commercial), NHPC has been appointed as nominee Director of NHPC w.e.f. 01.03.2013.</p> <p>He Joined NHPC as Engineer on 13.10.1982 and is having experience of more than 30 years in the field of construction, operation and maintenance of hydroelectric projects/powerstations of NHPC. He was also holding the charge of Head of the Project of 540 MW Chamera Power Station Stage-I in Himachal Pradesh and 280 MW Dhauliganga Power Station in Utrakhand. Presently he is heading the Commercial Division of NHPC at Corporate Office as Executive Director (Commercial). NHPC has recognized his contribution by extending cash award for various innovative ideas. Institution of Engineers, Kerala State Centre has also honoured him as Eminent Engineer of the year 2012.</p>	Nil	Nil
Shri S N Goel	10-08-1954	B.E. (Electrical) + M.B.A. (Finance)	<p>Shri S.N. Goel has joined as Director (Marketing & Operations) of PTC w.e.f. 27th September, 2012. Prior to this, he was working as Executive Director in NTPC. He is an Electrical Engineer with MBA in Finance and has 35 years of experience in power sector. He has worked in different areas of power plant such as design & engineering, project execution, operation & maintenance, commercial, business development and coal & gas sourcing.. In NTPC, he was looking after marketing of entire NTPC power generation capacity, interaction with CERC for tariff fixation and for ensuring 100% realization of dues from customers. During the last two years, he was responsible for sourcing domestic & imported coal and gas for the 35,000 MW capacity of NTPC power stations. He has been actively involved in formulation and implementation of power sector reform initiatives of the Govt. and development of power market in the country.</p>	<ol style="list-style-type: none"> (1) Indian Energy Exchange Limited (2) PTC India Financial Services Limited; (3) Teesta Urja Limited 	
Shri Deepak Amitabh	08-10-1960	Msc.+ Ex-IRS	<p>Shri Deepak Amitabh has studied from St. Stephen's College, Delhi, and is a Master of Science (Physics) and belongs to the 1984 batch of Indian Revenue Service. He is Ex-IRS and has more than 28 years of experience in the Government and energy sector and is having a deep understanding of power market structure, marketing, operations and business strategy for power trading, finance and investment, legal strategy, risk management and investor issues.</p> <p>In more than 9 years stint at PTC in various capacities, Shri Amitabh has provided leadership to various functions of PTC Group, including to, finance & resource mobilization, coal trading initiatives, debt and equity investments in energy assets, managing long term and short term power sale and purchase portfolio, investor relations etc. He was also instrumental in co-promoting India's first national power exchange i.e. Indian Energy Exchange Limited (IEX) and in incorporation of PTC India Financial Services Limited (PFS) and PTC Energy Limited (PEL). PEL is 100% owned by PTC and Mr. Amitabh is also Chairman of PFS and PEL.</p> <p>Before joining PTC, Shri Amitabh had served Government as Indian Revenue Services Officer in various capacities across the country.</p>	<ol style="list-style-type: none"> (1) PTC India Financial Services Limited (2) PTC Energy Limited 	



DIRECTOR'S REPORT - 2012-2013

Dear Shareholders,

Your Directors have pleasure in presenting to you the Fourteenth Annual Report on the activities of your Company along with the Audited Annual Accounts for the Financial Year 2012-13.

Performance and Financial Highlights

Your Company has completed another innovative year of its operations, wherein it has sustained and maintained its leadership position in the industry. The trading volumes were higher by 17.56% this year at 28,597 MUs as against 24,325 MUs during the previous year. With a turnover of Rs. 88,689 million (including other income) for the year 2012-2013 as against Rs. 77,011 (Including other income) in the Financial Year 2011-12, your Company has earned a Profit After Tax of Rs. 1,287 million as against Rs. 1,204 million in the previous year.

Your Company has two subsidiaries, namely PTC India Financial Services Limited (60% owned) and PTC Energy Limited (Wholly Owned). The consolidated turnover of the group is Rs. 92,133 million for the current Financial Year as against Rs. 81,105 million for the Financial Year 2011-12. The Consolidated Profit After Tax of the Group is Rs. 1,983 million for the current Financial Year as against Rs. 2,041 million for the Financial Year 2011-12.

The Financial Results of the Company for the FY 2012-13 vis-a-vis 2011-12 under broad heads are summarized as under:-

Financial results of the company for the FY 2012-2013 vis -a-vis 2011-2012

Particulars	For the Year ended 31.03.2013 (in Rs. Million)	For the Year ended 31.03.2012 (in Rs. Million)
Sales (including rebate on purchase of power, service charges and surcharge)	88562.41	76501.57
Other Income (including income from consultancy services)	126.25	509.08
Purchase (including rebate on sale of power)	82157.31	74765.92
Employee Cost	129.74	119.00
Other Expenses etc.	228.94	424.10
Fuel cost	2723.06	-
Operating expenses	1639.87	-
Profit before amortization, depreciation and prior period items	1809.74	1701.63
Amortization and Depreciation	42.05	44.63
Prior Period Expenses/(Income)	(16.90)	1.22
Profit Before Tax	1784.59	1655.78
Provision for Taxation (including deferred tax income)	497.15	452.12
Profit After Tax	1287.44	1203.66
Balance as per last accounts	1722.23	1393.91
Transferred to General Reserves	386.23	361.10
Dividend (incl. dividend tax)	554.10	514.24
Transfer to contingent reserves	-	-
Balance carried forward to Balance Sheet	2069.34	1722.23
Earning Per Share in Rs.	4.36	4.08

Appropriations

Dividend

Your Directors are pleased to recommend for your consideration and approval dividend @ 16% (which is higher by 1% from the last year) for the Financial Year 2012-13 i.e. Rs 1.60 per equity share of Rs. 10 each. The dividend, if approved, at ensuing Annual General Meeting will absorb Rs. 554.10 million including Corporate Dividend Tax amounting to Rs. 80.49 million.

The dividend will be paid to the members whose name appears in the register of members as on a record date in respect of shares held in dematerialized form whose name is furnished by the Depositories, as beneficial owners.

Reserves

Out of the profits of the Company, a sum of Rs. 386.23 million has been transferred to General Reserves during the year and total reserves and surplus of the Company are Rs. 20,296.72 million (including share premium) as on 31st March 2013.

Public Deposits

The Company has not accepted any public deposits during the year and as such, no amount on account of principal or interest was outstanding as on the date of Balance Sheet.

Capital Structure

As on 31st March 2013, PTC has Authorized Share Capital of Rs. 750,00,00,000 and Paid-Up Capital of Rs. 296,00,83,210/- divided into 296008321 equity shares of Rs.10 each. The equity shares of your Company are listed on the 'Bombay Stock Exchange Limited' (BSE) and 'The National Stock Exchange of India Ltd.' (NSE). The promoters i.e. NTPC Ltd. (NTPC), Power Grid Corporation of India Ltd. (POWERGRID), Power Finance Corporation Ltd. (PFC) and NHPC Ltd. (NHPC) individually hold 4.05% each, or 16.20% collectively of the paid-up and subscribed equity share capital of your Company and the balance of 83.80% of the paid-up and subscribed equity share capital of your Company is held by power sector entities, Financial Institutions, Life Insurance Corporation of India and other Insurance Companies, Banking Institutions, Corporations, Investment Companies, Foreign Institutional Investors, Private Utilities and others including public at large.

The shareholding pattern of your Company as on 31.03.2013 is as follows:-

Category	No. of shares held	Percentage of Shareholding
A Promoters' holding		
1 Promoters		
- Indian Promoters	48,000,000	16.20
- Foreign Promoters	-	-
2 Persons acting in concert	-	-
Sub-Total	48,000,000	16.20
B. Non-Promoters' Holding		
1 Institutions		
(a) Mutual Funds and UTI	46193550	15.61
(b) Banks and Financial Institutions	29389586	9.93
(c) Insurance Companies	64460624	21.78
(d) FIIs	47694164	16.11
Sub-Total B(1)	187737924	63.43
2 Non Institutions		
(a) Bodies Corporate (incl. DVC)	23138350	7.82
(b) (i) Individuals (Holding nominal share capital upto Rs. One lac)	28243813	9.54
(b) (ii) Individuals (Holding nominal share capital in excess of Rs. One lac)	6507936	2.20
(c) Others		
-NRIs	2324523	0.79
-OCBs	0	0
-Trusts and Foundations	55775	0.02
Sub-Total B (2)	60270397	20.36
Total Public Shareholding (B1 +B2)	248008321	83.78
GRAND TOTAL (A +B)	296008321	100

Net Worth and Earnings Per Share (EPS)

As on 31st March 2013, net worth of your Company aggregates to Rs. 23, 256.80 Million as compared to Rs. 22,501.15 Million for the previous year thereby registering a growth of 3.36%.

EPS of the Company as on 31.03.2013 stands at Rs 4.36 in comparison to Rs.4.08 as on 31.03.2012.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy is yet to recover from the economic recession of 2008-09. Recent data shows slowing growth in United States and China. Japan announced a massive stimulus program but the result is unlikely to be felt this year. Many European countries are still reeling under recession. US politicians avoided a disaster by not falling in the fiscal cliff. Indian economy grew a shade better in the last quarter of FY13 but the GDP growth for the whole fiscal slipped to a decade low of 5%. The fiscal deficit numbers for the year, however, are impressive at 4.9%, lower than the revised target of 5.2%

Although the effect of slowdown was clearly visible on the power sector too, there were a few things to cheer about in the past financial year. The generation capacity addition figure seen in the terminal year of 11th plan was improved during this year. The country added ~20687 MW of generation capacity in FY13 against a target of ~17956 MW. Private sector contribution was significant as it exceeded the target by 55%.

Twelfth plan capacity addition and other targets have been finalized. New capacities to the tune of 100 GW (118 GW including power from Renewable sources) are on the anvil. The National Electricity Policy (NEP) states that a part of new generating capacities (15%) may be sold outside long term (LT) PPAs to promote market development. This means that a significant part of the new capacities is proposed to be available for short-term trading. Some merchant generators are already selling their power through traders and with gradual full-scale implementation of Open Access in the States, captive generators will also be able to sell through traders and Power Exchanges. Therefore, we see a positive impact of capacity augmentation on power trading in the country.

The grid disturbances of July 30 and 31, 2012 which are recorded as the largest blackouts in history, were perhaps a low point for the sector. The outage affected more than 600 million people and more than 20 states. Northern Region, Eastern Region and North-eastern Region were without electricity until the electricity supply was restored. However, the Government was quick to constitute a three member committee which identified the causes of the grid failure and made several recommendations to prevent further failures including an audit of the protection systems.

Apart from this, we have seen serious efforts by the Government to address some of the critical issues affecting the power sector. To improve the financial health of the State Utilities, the Government has unveiled a well designed Financial Restructuring Package. The scheme takes into consideration the targets prescribed in Fiscal Responsibility and Budget Management Act 2003. To have more and more States on board this scheme, the deadline has been extended twice.

Regular revision of tariffs is one of the necessary conditions to avail of the above restructuring package and it is good to note that most of the State Utilities have revised their tariffs in past one year. During FY 13 there were tariff increases in 17 States ranging between 5 to 33%. For FY14, 8 States and 1 Union Territory have already increased tariff ranging from 4% in (Orissa) to 24% in (Andhra Pradesh). Appellate Tribunal For Electricity (APTEL)'s landmark judgment of March 2011 has started to show its impact.

Administrative delays have been holding up projects worth nearly Rs. 2 lakh Crore in various infrastructure sectors including coal and power. Poor infrastructure is one of the biggest obstacles to a more robust economic growth of India. Formation of Cabinet Committee on Investments (CCI) in Jan'13 to grant necessary approvals to stalled projects awaiting various clearances will definitely help in this regard. The committee is headed by the Prime Minister himself and has as its members all the ministers of infrastructure sectors. Functions of the committee include identifying key projects involving investments of more than Rs. 1000 crore, expediting required approvals and keeping track of their progress.

To liberalize the vital coal sector, government has approved setting up of a regulatory authority for the coal sector that will monitor the supply and pricing of the fuel. The Regulator is expected to oversee coal supplies from Coal India Limited (CIL) and other coal producers to consumers such as power producers. It could also independently monitor the progress made by state-run and private companies in extracting coal under government-allocated mining licenses. The move will bring greater transparency and efficiency in coal mining operations.

The sector is affected due to various uncertainties e.g. cancellation of allocated mines. There are many power developers which were given coal and based on that they have been financed. However, the producers and financiers have now become worried wherever such cases are involved. Policy, procedure, decision which slows down the addition / up gradation of production capacity of domestic coal quantities will require the gap to be filled by import of quantities and will impact resultant price of electricity to that extent. This will also provide a window of opportunity for our subsidiary PTC Energy Ltd. (PEL). We have been sourcing coal for Independent Power Producers (IPPs) on their request and we may see a substantial rise in coal trading volumes in the coming years.

In a significant ruling, Central Electricity Regulatory Authority (CERC) allowed for a 'compensatory tariff mechanism' for Adani power's project and Tata power's Ultra Mega Power Project (UMPP) in Mundra. Indonesia's move to link its coal prices with international benchmark rates has led to cost increases for these and many other imported coal based projects and rendered their contracted tariffs unviable. The compensatory tariff is to be decided by a separate committee comprising of representatives of buyers, distribution companies, Generators, financial analyst and a banker. This development came as a breather for these companies and the sector as a whole. However, some of the discoms have decided to challenge this order in the APTEL.

CERC introduced a new draft regulation on 'Prevention of Adverse Effect on Competition'. Your company submitted before the commission that since competition has been increasing in power trading, with new active licensees coming every couple of months and the share of top five traders decreasing, this regulation is not required for power trading. There is no market induced entry barrier for the entry of new trading licensees (the same have grown at a CAGR of 21% since FY05). Also the new reporting requirements notified by CERC are quite comprehensive covering almost every aspect of trading which are sufficient to check any instance of market dominance.

The Hon'ble Commission also introduced amendments in some other regulations like CERC (Terms and Conditions of Tariff) (Third Amendment) Regulations, CERC (Open Access in Inter-State Transmission) (Second Amendment) Regulations etc. Your company has been engaging with stakeholders on such developments to make them more conducive for power market growth.

The Government has been inviting comments on various amendments in the Electricity Act 2003 as part of the reform process. For example, on Grid Security Issues, formation of a National Power Committee is proposed in the draft amendment for coordinating the integrated operation of the power systems in the country. In our view, more teeth need to be provided to NPC to make it a successful body.

Similarly, the Government asked for amendments in rules regarding functioning of FOR, distribution licensees, code of conduct, rules for distribution licensees, appointment of Adjudicating Officer under Section 143 etc. Your company has been providing its views on these issues which are acknowledged by the government and regulator.

As compared to previous year where not many Case-1 bids were invited by State Utilities, this year has seen progress on the Case-1 Competitive Bidding Process, wherein long term and medium term bids were invited by various State utilities. Uttar Pradesh floated Case-1 bid for procurement of 6000 MW capacity on long term basis, whereas Tamil Nadu and Rajasthan floated Case-1 bid for procurement of 1000 MW each on long term basis. Further, Andhra Pradesh, Madhya Pradesh and Kerala floated Case-1 tender for procurement of 2000 MW, 500 MW and 300 MW capacities respectively on medium term basis. Your company had participated in the above said tenders with cumulative capacity of 4379 MW.



Short-term (ST) market grew by a modest 5% YoY to ~99 Billion Units (BUs) in FY13. Much of this growth was due to growth in volumes on Power Exchanges which registered a combined growth of 55% in the Day Ahead Market (DAM). Bilateral (traders + Term Ahead market [TAM]) segment volumes remained almost stagnant but still constitute 37% of the total ST market. The grid disturbances of July'12 had a positive impact on ST market as the Unscheduled Interchange (UI) volume dropped by 11% from last year, it still constitutes 25% of the ST market. Transactions through UI are expected to further reduced during the year. After being criticized by system operator and various other bodies for relying on UI, States resorted to power exchanges and bilateral trade for their immediate/day ahead demand.

Price in bilateral market remained slightly higher than Power Exchange (PX) for most part of the year indicating that buyers are ready to pay premium for certainty of power. Also bilateral prices were less volatile than PX prices. Average prices in bilateral market over the year remained in the range of R. 44.5 per unit while on exchanges, prices varied from Rs. 2.94.5 per unit. Low prices on exchanges for most part of the year was another reason pulling utilities towards them for trading. However, in the future, the way things are, there might be increased demand-supply gap which is expected to harden the prices. Increased input costs (fuel etc.) are also expected to increase the delivered price of electricity. This will make bilateral segment more lucrative than exchanges as buyers will have certainty of getting power.

As far as performance of your company is concerned, it traded 28.6 BUs of electricity with a market share of 39% (including cross-border). This represents a jump of ~18% from last year. Our trade on power exchange grew by 84% to 6.6 Bus. PTC's tolling project also contributed 952 MUs to the total volume. Most of the power traded by us was on Round The Clock (RTC) basis - 93% which is two percentage points less than last year - the remaining power being Peak and other products.

Our top 5 suppliers of electricity in FY13 were Government of Himachal Pradesh, Lanco, SPDCJ&K (Baglihar Hydroelectric Project) Karchham Wangtoo Hydro Electric Power Station and West Bengal State Electricity Distribution Company Ltd. Our top 5 buyers in FY12 were West Bengal, Madhya Pradesh, Himachal Pradesh, Punjab and Haryana.

Cross-border trade with Bhutan dropped slightly to 4.8 BUs in FY13 (5.3 BUs in FY12) on account of increased domestic demand in Bhutan. Nevertheless, the trade with Bhutan has been more or less stable and has entered its 11th successful year. It remains an important part of our portfolio. Your company also supplied 79 MUs to Nepal, 14% increase YOY. Last year, PTC signed Power Sale Agreement (PSA) with Nepal Electricity Authority (NEA) for supply of 150 MW coal based thermal power on LT basis. This power may start flowing in the next 2-3 years. Your company has also been playing a catalytic role in the up-gradation of Indo-Nepal transmission interconnections.

Bangladesh Power Development Board (BPDB) has invited bids from Indian Bidders (PTC and NVVN) for supply of 250 MW power for a period of 3 years starting from August 2013. PTC is actively pursuing suitable tie-up for sourcing the power and has participated in the tender.

PTC has been working on two tolling projects for quite some time. First unit of one of the projects has been commissioned in May 2012 followed by commissioning of the second unit in July, 2012. Your company has been sourcing imported coal to meet fuel requirements for this project and has been paying a conversion charge to the developer. Your company has successfully sold 952 MUs from this project in FY 12-13. Another project of 2 x150 MW capacity has been commissioned recently. Your company has contracted 150 MW under tolling arrangement from this project. In FY12, PTC opened a new Strategic Business Unit PTC-Retail which is focused for catering to the requirement of industries and commercial units. Since then, PTC Retail has rapidly spread across various states like Punjab, Haryana, Rajasthan, Jammu & Kashmir, Gujarat, Himachal Pradesh, Andhra Pradesh, Tamilnadu, Karnataka, and Kerala, with 100 % market share in Kerala and Jammu & Kashmir. Within a short span of time PTC Retail has added more than 200 clients ranging from both public and private sector including clients like NHPC, Hindustan Copper, Coca-Cola, Binani Zinc, Apollo Tyres, JK Tyres, Hindustan Copper Ltd, DCM Shriram, Grasim and more.

Your company is also playing an increasingly important role in the promotion of Renewable Energy in the country. We are facilitating sale of solar power between solar developers and solar power consumers through mutually beneficial trading arrangements and providing advisory solutions for development/marketing of solar projects. Your company is also facilitating various entities in meeting their Renewable Purchase Obligations (RPOs) through sale of Renewable Energy Certificates (RECs) and has traded more than 212000 RECs in FY13 which is more than 2.5 times the volume traded in FY12 (~60000 RECs).

PFS, this year, recorded revenue of INR 2865 million compared to INR 3072 million last year. However, it may be mentioned that during the previous year, the Company had earned a revenue of Rs.1,277 million by way of profit on sale of equity investments while no such revenues were earned during the current year. Excluding such revenue, the revenue increased by about 60% during the year. The profit before tax and profit after tax for the current financial year stood at Rs.1,553 million and Rs.1,042 million respectively. Net interest income recorded an increase of about 124% during the current year. Earnings per share for the financial year stood at Rs.1.85 per share.

During FY 2012-13, PEL imported and sold 0.79 million MT of coal as against 0.42 million MT in FY 2011-12. The coal revenues for the year increased to Rs. 2470.21 million compared to Rs. 1608.48 million during the previous year, thus recording a growth of 53.57%. The profit before tax has increased by 199% during the current year to Rs. 128.07 million from Rs. 42.76 million in FY 2011-12. Earnings per share increased to Rs. 1.57 during FY 2012-13 from Rs. 0.55 in FY 2011-12. As dependence on imported coal in the country is expected to grow, PEL is exploring avenues for adding new suppliers and buyers under its umbrella of fuel intermediation on competitive basis.

From a modest start, PTC has also been able to make substantial head way in the area of energy efficiency management. Your company has also extended the MOU with BEE for a further period of 5 years to undertake energy efficiency activities under the PAT (performance, Achieve & Trade) scheme notified in 2012. These projects would be in line with the National Mission of Energy Efficiency Enhancement (NMEEE) under one of the eight Missions of Prime Minister's National Action plan on Climate Change (NAPCC). PTC is also contemplating the role of project and Asset Management for disbursement of Energy Efficient Funds from BEE/EESL under the MOU with BEE. It further seeks to overcome barriers to financing energy efficiency projects through risk sharing strategies and capacity up-gradation of financing institutions.

Your company has always been at the forefront as far as development of power market or sector as a whole is concerned and we will strive to do so in future as well.

Domestic Trading

Your Company has completed another significant year of its Operations. Financial Year 2012-13 had been a challenging year for Power sector due to poor financial health of most of the state utilities, coal shortage and transmission constraints in Chattisgarh region (W-3), Southern Region and Inter Regional Links. Still the company has maintained and sustained its position in the industry. There has been rise in the domestic trades by maintaining the continuous interaction with customers, providing innovative solutions and managing key portfolio of some states. Your Company remains the front runner in the power trading market.

PTC achieved a trading volume of 28,597 MUs during 2012-13 against the previous year figure of 24,325 MUs which is 17.56% jump over the previous year. PTC's volume on power exchanges during the FY 2012-13 reached 6623 MUs against the previous year figure of 3595 MUs which has witnessed an increase of 84% over the previous year. Long-Term power from projects have started contributing to trading volumes and the total MUs traded from projects under long term PPA has been 3,771 MUs. PTC traded 952 MUs under Power tolling arrangement during 2012-13 .

Your Company extended its existing agreements with Chhattisgarh, Government of Himachal Pradesh and CPPs/IPPs for sale of their surplus power for period ranging between 1 to 3 years. Negotiations are in advance stage with some other surplus States/Utilities for signing agreements on similar lines. Your Company has also been able to add many other utilities and CPPs/IPPs as clients both

through Bilateral and Power exchange routes. One remarkable addition to the customer base was initiating Power trade both on Bilateral and Power exchange with Essar Steel Ltd, an Industrial consumer based in Gujarat and Bilateral power trade with Torrent Power Ltd-A Distribution licensee in Gujarat. One power plant under the power tolling arrangement has been commissioned and presently their power is being sold under short term/power exchange. The Company also carried out a significant number of energy banking transactions during the FY 12-13.

Cross Border Trade

Cross-border trade with Bhutan has been slightly less this year to 4791 MUs in 2012-13 against 5275 MUs during the FY 2012-13 on account of increased domestic demand in Bhutan. The construction of 132 kV Deothang - Rangia transmission line between India and Bhutan was under taken by Government of India (GoI) and the line handed over to Power Grid Corporation of India Limited (PGCIL) for Operation & Maintenance (O&M) by GoI. Your Company, as advised by Ministry of Power (MoP), GoI has entered into an Agreement with PGCIL, West Bengal State Electricity Distribution Company Limited (WBSEDCL) and Damodar Valley Corporation (DVC) for collecting O&M charges from WBSEDCL and DVC and handing over the same to PGCIL. Your Company is also in at advanced stage of discussions for Banking of power with Bhutan to meet the construction power requirement for 10,000 MW of Hydro power which is under development in Bhutan. Nevertheless, the trade with Bhutan has been more or less stable and has entered its 11th successful year. It remains an important part of our portfolio.

Your Company supplied 20 MW of power to Nepal from November, 2012 to April, 2013 on Short term basis under the Power Sale Agreement between PTC and Nepal Electricity Authority. PTC has also signed Power Sale Agreement (PSA) with Nepal Electricity Authority (NEA) for supply of 150 MW coal based thermal power on LT basis. This power may start flowing in next 2-3 years. Your Company has also been playing a catalytic role in the up-gradation of Indo-Nepal transmission interconnections.

Long Term Agreements for Purchase of power

(A) Commissioned Projects

i. Power Projects commissioned before FY 2012 - 13

- (a) Baglihar HEP (450 MW) and Middle & Lower Kolab HEP (37 MW) were commissioned in the FY 2009-10. PTC has a contracted capacity of 225 MW from 450 MW Baglihar HEP and the balance power is being consumed within the state of J&K. Out of 225 MW capacity, PTC has entered into long term agreements for 150 MW and the balance 75 MW is being sold by PTC through short term contracts. Energy from Middle & Lower Kolab aggregating to 37 MW is being supplied to GRIDCO through long term agreements.
- (b) Samal HEP in Orissa for 20 MW has been commissioned in October, 2009. Entire capacity from the project is being supplied to GRIDCO through a long term agreement.
- (c) Pathadi Thermal Power Plant (Phase-I, 300 MW) has been set up by M/s. Lanco Amarkantak Power Ltd. PTC is selling the entire 300 MW power output from the project on long term basis to MPPMCL.
- (d) SUGEN Gas Based Power Project developed by Torrent Group has been commissioned in August, 2009. PTC has signed PSA with the MPPTC, Madhya Pradesh for sale of 100 MW plant capacities from the project. Power is flowing to MPPTC through PTC.
- (e) Pathadi Thermal Power Plant (Phase-II, 300 MW) developed by M/s. Lanco Amarkantak Power Limited for Phase-II 300 MW has been commissioned. PTC has signed Power Sale Agreement with Haryana and presently 65% power from the Project is being supplied to Haryana through PTC.

ii. Power Projects commissioned in FY 2012 - 13

- (a) Simhapuri tolling project in Andhra Pradesh (Phase-1 - 200 MW)

Both Unit 1 and Unit 2 of 150 MW each have been successfully commissioned in May, 2012 and July, 2012 respectively. PTC has signed Power Tolling Agreement for 200 MW capacity from this project with M/s Simhapuri Energy Limited. The power plant has been generating electricity using imported coal supplied by PTC. Presently, PTC is selling power from this project on short term basis.

(b) Malana - II in Himachal Pradesh (100 MW)

The project developed by M/s. Everest Power Pvt. Ltd., has been successfully commissioned on 12.07.2012. PTC has signed PPA for purchase of entire plant capacity with the developer and has also signed PSA for sale of entire capacity with the State of Punjab. Presently, power is flowing from the project to Punjab on long term basis through PTC.

(c) Adhunik Power thermal project in Jharkhand (100 MW)

The project is being developed by M/s. Adhunik Power & Natural Resources Limited. PTC has entered in to separate PPAs for Unit 1 & 2 of the project with a capacity of 100 MW each. Unit -1 of the project was commissioned in January 2013 and Unit-2 is in advanced stage of construction and likely to be commissioned soon. Presently, 100 MW power from the project is flowing on short term basis through PTC.

(iii) Projects Expected to be commissioned in FY 13-14

(a) Meenakshi Energy tolling Project in Andhra Pradesh (150 MW)

The Project being developed by M/s Meenakshi Energy Pvt. Ltd. with 2x150 MW capacity has been successfully commissioned in April, 2013. PTC has signed Power Tolling Agreement for 150 MW capacity wherein the power plant would generate power using imported coal supplied by PTC and supply power to PTC. PTC is selling the power in the short term market.

(b) Adhunik Power thermal project in Jharkhand (100 MW)

The project is being developed by M/s. Adhunik Power & Natural Resources Limited. PTC has entered in to separate PPAs from Unit1 & 2 of the project with a capacity of 100 MW each. Unit -1 of the project is already commissioned in January 2013 and Unit-2 is in advanced stage of construction and likely to be commissioned in FY13-14. PTC has signed PSA with West Bengal for sale of 100 MW power from the project.

(c) GMR Kamalanga Energy Limited (323 MW)

GMR Kamalanga Energy Limited's project is being developed by GMR energy in Orissa. PTC has PPA with GMR for 323 MW Power to be sold to Haryana as per the Power Sale Agreement (PSA) signed under Case-1 bidding route. The Project is expected to be commissioned in FY 13-14.

(d) Krishna Godavari thermal project in Andhra Pradesh (60 MW)

The project is being developed by Krishna Godavari Power Utilities Limited and is in advanced stage of construction. It is expected to be commissioned in FY 2013 -14.

(e) Torrent Power Limited (35 MW)

The project is a gas based project being developed by Torrent Power Limited in the state of Gujarat. Project is in advanced stage of construction and it is expected to be commissioned in FY 2013 -14. Power Sale Agreement for sale of this power on long term basis through PTC is already signed with MPPMCL.

(B) Power Purchase Agreements finalized in 2012 - 13

During the year, PTC entered into Power Purchase Agreements with aggregate capacity of approximately 904 MW. Power from most of the projects is being offered for sale through Case - 1 bidding process being initiated by State Utilities and Discoms. Cumulative capacity for which PPAs have been signed at the end of the year is around 14,402.4 MW. The projects are based on domestic coal, imported coal, gas and hydro resources.



(C) Memorandum of Understanding / Agreement finalized in 2012 - 13

In addition to the above Projects, PTC has also signed MoUs/MoAs with number of Project developers during the year FY 2012-13 for purchase of power aggregating to approximately 3500 MW. Cumulative MoUs/MoAs at the end of the year by PTC is around 15,978 MW based on domestic coal, imported coal, gas and hydro resources.

(D) Other Projects under consideration by PTC

PTC has received proposals for long term sale of power from various project developers aggregating to a capacity of about 1000 MW. PTC is actively evaluating these projects and is in discussion with developers for signing of PPA/MoUs/MoAs, based on marketability of power from these Projects.

Sale of Power

As per the Tariff Policy of Government of India, the long term power procurement by the SEBs/ DISCOMs has to be necessarily done through competitive bidding. As such, sale of power to the State Utilities has to be through participation in the bidding process. Till now, PTC has participated in competitive bids invited by State Utilities/Private Discoms like Rajasthan, UP, AP, MP, Kerala and Tamil Nadu (Long term and Medium term) and has bid for about 4379 MW aggregate capacity.

During the year, PTC entered into Power Sale Agreement with Madhya Pradesh Power Management Company Ltd. for 35 MW on long term basis and 400 MW with Madhya Pradesh Power Management Company Ltd under Case-1 bidding for medium term. Cumulative capacity covered in Long Term PSAs at the end of the year is around 5595 MW.

Energy Management Solutions

From a modest start, your Company has also been able to make substantial head way in the area of energy efficiency management. Out of the seven BEE entrusted Energy Efficiency Investment Grade Energy Audit Studies , AIIMS and Indira Gandhi Employees State Insurance (IGESI) Hospital at Jhilmil, New Delhi has issued LOI ,that are in different stages of Implementation under the Energy Service Company (ESCO) concept (where savings achieved are shared with the Client).

Your Company has also extended the MOU with BEE for a period of 5 years to undertake energy efficiency activities under the PAT (performance, Achieve & Trade) scheme notified in 2012. These projects would be in line with the National Mission of Energy Efficiency Enhancement (NMEEE) under one of the eight Missions of Prime Minister’s National Action plan on Climate Change (NAPCC).

PTC is also exploring new Business opportunities, in the areas Smart Grid, replicating public private partnership model etc. PTC is also contemplating the role of project and Asset Management for disbursement of Energy Efficient Funds from BEE/EESL under the MOU with BEE. It further seeks to overcome barriers to financing energy efficiency projects through risk sharing strategies.

Human Resource

Organizational development in your Company has the focus on fostering a successful system that maximizes human resources, as well as optimizes other resources as part of larger business strategies. This important aspect includes creation and maintenance of a change program which allows your company to respond to evolving external and internal influences.

The strategic Human Resource department is ideally positioned having access to all areas and processes of the business. Some of the key processes being successfully managed are manpower planning, recruitment and development, training and career management, performance management and compensation and benefits management, ESoP management and HRIS.

Industrial relations

Your company has always maintained healthy, cordial, and harmonious industrial relations at all levels. Despite of competition, the enthusiasm and unstinted efforts of the employees have enabled the Company to grow at a fast rate.

Corporate Social Responsibility

We, at PTC, since inception, have endeavored to address social concerns and work to the benefit of the local communities. We have been undertaking various socio-economic, educational and health initiatives which focus on the welfare of the economically and deprived sections of society. The Company facilitates programs and gives direct assistance to individuals, societies and other charitable organizations.

Employee Stock Option Scheme 2008

Shareholder approval of the scheme was obtained at the Annual General Meeting held on August 6th, 2008 for introduction of Employee Stock Option Plan at PTC India Ltd. Two grants have been made under the ESOP 2008.

Disclosures stipulated under the SEBI Guidelines have been made.

Period of Vesting for PTC India Ltd.

As per PTC India Ltd. Employee Stock Option Plan 2008, there shall be a minimum period of 1 (one) year between the grant of options and vesting of options. Subject to participant’s continued employment with the Company or the subsidiary and restrictions if any set out in case of terminal events, the Unvested Options shall vest with the Participants over a four year period as per the following schedule.

Vesting	No of years from the grant date	% of options vested	Cumulative % of options vested
1st	1	15%	15%
2nd	2	15%	30%
3rd	3	30%	60%
4th	4	40%	100%

Exercise Period for PTC India Ltd.

Subject to the conditions laid down for terminal events (death, permanent incapacitation of the employee etc), the vested options shall be exercisable within a period of 5 (five) years from the first vesting date.

Period of vesting for PFS Ltd.

Options will vest over four years from the date of grant

End of year (from the date of grant)	% of Vest
1	15%
2	15%
3	30%
4	40%

Exercise Period for PFS Ltd.

Maximum of 3 years from the date of vesting or listing of shares on a recognized stock exchange, whichever is later.

Conservation of Energy & Technology Absorption

As your Company is engaged in the activity of trading of power and other related activities, the particulars relating to conservation of energy and technology absorption respectively are not applicable to it.

Foreign exchange earnings & outgo etc.

The Company has incurred an expenditure of Rs 2.16 Million (on accrual basis) in foreign exchange during the financial year 2012-2013. No foreign exchange was earned during the financial year.

Particulars of the employees u/s 217 (2A)

Information as per Section 217(A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended regarded employees is as under:

During the Financial Year ending 2013, no employee was employed for full or part of the year, who was in receipt of remuneration, which in aggregate or as the case may be, at a rate which, in the aggregate was not less than Rs. 60 lacs per annum or Rs. 5 lakh per month except the following employees the details of whom are given below:-

Name	Shri Deepak Amitabh (Director upto 15th October, 2012 and CMD w.e.f. 16th October, 2012)	Shri S N Goel (Joined w.e.f. 27th September, 2012)	Shri T.N. Thakur (completed his tenure of CMD on 10th October, 2012)
Designation	CMD	Director (Marketing & Operations)	Ex- CMD
Qualification	MSc.+ Ex- IRS	BE + M.B.A.	BSc. + Ex- IA&AS
Whether contractual or otherwise	CMD	Whole- Time Director	NA
Duties of employees	Overall Managerial functions of company	Marketing & Operations functions of the Company	NA
Last employment held	Government of India	NTPC Ltd.	Power Finance Corporation Ltd.
Number of years of experience	29	35	40
Age	52	58	64
Date of commencement of employment (at Board Level)	25.01.2008	27.09.2012	11.10.2000
Gross Remuneration (figures in Rs. Million)	6.65	2.65	10.20
No. of Equity Shares held (of Rs. 10/- each)	79,557	NIL	1,94,490
Whether Relative of a Director or Manager	No	No	No
Other terms and conditions of Employment	-	-	-

Auditors

Statutory Auditors

M/s K.G. Somani & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of your Company in the 13th Annual General Meeting of the Company and who will cease to be Statutory Auditors of the Company at ensuing Annual General Meeting and are eligible for reappointment.

The Statutory Auditors have audited the Accounts of the Company for the Year ended 31st March 2013 and Audited Accounts together with the Auditors' Report thereon are annexed to this report. The observations of the Auditors in their Report on Accounts read with the relevant notes to accounts are self-explanatory.

The Board recommends the appointment of M/s. K.G. Somani & Co. as the Statutory Auditors of the Company for the Financial Year 2013-2014 by the Shareholders in the 14th Annual General Meeting of the Company.

- Internal Auditors

M/s. Ravirajan & Co. Chartered Accountants, New Delhi were appointed as Internal Auditors of the Company for the Financial Year 2012-2013 and their reports for the year were submitted to the Audit Committee.

- Cost Auditors

The cost audit is not required for the company for the Financial Year 2013-2014.

Subsidiary Companies

PTC India Financial Services Ltd. (PFS)

PFS is a subsidiary of PTC India Limited wherein PTC holds 60% stake. PFS is listed on NSE and BSE and has been classified as Infrastructure Finance Company (IFC) by the Reserve Bank of India.

The operational and financial performance of PFS during the year 2012-13 has been quite robust and it continued the growth momentum. The interest income earned by it increased to Rs.2, 513.16 million during the current compared to Rs.1, 329.54 million during previous year recording an increase of 89% whereas the interest expense increased by 52% to Rs.977.07 million during current year compared to Rs.642.83 million during previous year. As a result, net interest income recorded an increase of about 124% during the current year. The net interest margin for FY 2012-13 stood at 8.50% compared to 7.38% during FY 2011-12 and the cost of funds reduced to 8.31% during FY 2012-13 as against 10.13% during the previous year.

The total revenues for the year stood at Rs.2, 865.22 million compared to Rs.3, 071.99 million during the previous year. However, it may be mentioned that during previous year, PFS had earned revenue of Rs.1, 276.98 million by way of profit on sale of equity investments while no such revenues were earned during the current year. Excluding such revenue, the revenue increased by about 60% during the year. The profit before tax and profit after tax for the current financial year stood at Rs.1, 552.89 million and Rs.1, 041.57 million respectively. Earnings per share for the financial year stood at Rs.1.85 per share. The Board of Directors of PFS have recommended a dividend @ 4% i.e. Rs.0.40 per equity share of Rs.10 each for the financial year 2012-13.

PFS sanctioned debts aggregating to Rs.37,361 million during 2012-13 compared to Rs.36,923 million during 2011-12 and disbursed a sum of Rs.13,000.71 million during 2012-13 compared to Rs.6,241.75 million during 2011-12. The outstanding loan book aggregates to Rs.22, 959.45 million as at 31st March 2013 and there are "Nil" NPAs as at 31st March 2013.

During FY 2012-13, PFS executed external commercial borrowing (ECB) agreement with International Finance Corporation for long term loan of upto Rs.1, 620 million on fully hedged basis. As at 31st March 2013, the effective term loans sanctioned by PFS aggregate to Rs.9, 999 crores, supporting capacity creation of more than 30,000 MW. PFS has been diversifying its portfolio with a focus on lending to renewable power projects and has also sanctioned loans for infrastructure facilities like development of private railway sidings, development & operations of coal mines and power transmission projects.

PTC Energy Limited (PEL)

PTC Energy Limited (PEL) is a subsidiary of PTC India Ltd. which has been set up to undertake various activities related to the business of power generation, sale and purchase of all form of energy including coal/ fuels and other allied works.

The vision of PEL is to play a pivotal role in India's emerging Energy sector through asset base business and as a fuel aggregator.

Domestic coal supplies are struggling to keep pace with an ever increasing demand from the country's power sector. On the backdrop of the huge demand for energy in India and the fact that coal will remain as a prime fuel source to domestic energy market, PEL has entered in to the business of fuel intermediation to seize the opportunities in the field of coal import.

PEL has entered in to this business avenue in FY 2009-10 and since then PEL has maintained the growth momentum. During FY 2012-13, PEL has imported and sold 0.79 million MT of coal as against 0.42 million MT in FY 2011-12. The coal revenues for the year increased to Rs. 2470.21 million compared to Rs. 1608.48



million during the previous year, thus recording a growth of 53.57%. The profit before tax has increased by 199% during the current year to Rs. 128.07 million from Rs. 42.76 million in FY 2011-12. Earnings per share increased to Rs. 1.57 during FY 2012-13 from Rs. 0.55 in FY 2011-12.

PEL is also holding an investment of Rs. 234.0 million constituting 48% equity in RS India Global Energy Limited with a view to undertake joint development of wind farm in Tamil Nadu. The Company is pursuing opportunities for investment in energy sector with a focus on improving portfolio, increasing efficiency and expanding business in order to be the most preferred partner in the energy value chain.

Annual Accounts and information of the Subsidiary Companies under Section 212 of the Companies Act, 1956

The Ministry of Corporate Affairs, Government of India, vide its Circular dated 8th February, 2011 has granted exemption to all Companies from attaching the financial statements of its subsidiaries companies, pursuant to Section 212(8) of the Companies Act, 1956, subject to compliance of certain conditions by the Companies as prescribed in this circular.

Accordingly, the Board of Directors in their meeting held on 23rd May, 2013 has given their consent and passed the appropriate resolution for not attaching the copies of balance sheet, profit & loss accounts and reports of the board of directors and auditors of subsidiaries have not been attached with the balance sheet of the Company. In terms of said circular, your Company has fulfilled the prescribed conditions and also made necessary disclosures in the Consolidated Balance Sheet and further undertakes that the Annual Accounts of the Subsidiary Companies and the related detailed information shall be made available to Shareholders of the Company interested in obtaining the same. As directed by the Central Government, the financial data of the subsidiaries has been furnished in the notes on consolidated financial statements, which forms part of the Annual Report of the Company. The Annual Accounts of Company including that of Subsidiaries will be kept for inspection during business hours at the registered office of the Company and of the respective Subsidiary Company. Further, pursuant to Accounting Standard-21 (AS-21), Consolidated Financial Statements presented by the Company include financial information about its subsidiaries.

Investment in other Companies (Amount Released up to March, 2013)

1. Your Company has earlier executed Equity Subscription Agreement (ESA) for investment in Athena Energy Ventures Pvt. Ltd. (AEVPL). As of now PTC has released Rs. 1500 Million and the other investors of this Company are Athena Group, IDFC and IFCL.
2. Your Company has earlier executed Equity Subscription Agreement (ESA) for investment in Krishna Godavari Power Utilities Limited upto Rs. 400 Million and as of now PTC has released Rs. 375.48 Million.
3. Teesta Urja Limited is developing 1200 MW Teesta-III Hydro Electric Project in the State of Sikkim. Your Company has acquired 11% subscribed equity in Teesta Urja Limited and has released Rs. 2240.15 Million.
4. Your Company has 2% equity in M/s. Chenab Valley Power Projects Private Limited (CVPPPL) with NHPC and JKSPDC and as of now PTC has released Rs. 1 Million.

Directors' Responsibility Statement

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

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed by PTC along with proper explanation relating to material departures;
2. 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 2013 and of the profit of the Company for that period;

3. Proper and sufficient care had been taken by the Directors for maintenance of adequate Accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities and
4. The Annual Accounts had been prepared on a going concern basis.

Report on Corporate Governance

As a listed Company and a good corporate entity, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability paving the way in building confidence among all its stakeholders for achieving sustainable long term growth and profitability.

Company's philosophy on the Code of Governance

Corporate Governance implies governance with highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business. Your Company's endeavor has been to inculcate good Corporate Governance practices in its organizational and business systems and processes with a clear goal to not merely adhere to the letter of law to comply with the statutory obligations, but also to center around following the spirit underlying the same.

The Corporate Governance practices followed by the Company include the corporate structure, its culture, policies and practices, personal belief, timely and accurate disclosure of information, commitment to enhancing the shareholder while protecting the interests of all the stakeholders.

Your Company is committed to and firmly believes in practicing good Corporate Governance practices as they are critical for meeting its obligations towards shareholders and stakeholders. The Company's governance framework is based on the following principles which adhere to sound Corporate Governance practices of transparency and accountability:

- Constitution of Board of Directors with an appropriate blend of Executive and Non Executive Directors committed to discharge their responsibilities and duties.
- Strict Compliance with all governance codes, Listing Agreements, other applicable laws and regulations.
- Timely and balanced disclosure of all material information relating to the Company to all stakeholders.
- Adoption of 'Code of Conduct' for Directors and Senior Management, and 'Code of Ethics' and 'Policy on Prohibition of Insider Trading' and effective implementation thereof.
- Sound system of Risk Management and Internal Control.
- Regular update of PTC website www.ptcindia.com to keep stakeholders informed.

1. Board of Directors

(A) Composition of Board

The composition of Board of Directors is in conformity with the Clause 49 of Listing Agreement, as amended from time to time. The Board of Director(s) along with its Committee(s) provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the company. The Board of Director(s) of the Company comprises of distinguished personalities, who have been acknowledged in their respective fields. As on the end of Financial Year 2012-13, the Board comprises of 14 Directors out of which 2 are Whole-time and 12 are Non-Executive Directors, more than 50% of total number of Directors are Independent Directors. The Company is headed by CMD.

The current composition of Board of Directors as on the date of this report of your company is as under:

Category	Name of Directors
Chairman & Managing Director	Shri Deepak Amitabh
Whole- Time Director	Shri S N Goel
Non- Executive Directors	Shri I.J. Kapoor, Nominee- NTPC Shri M.K. Goel, Nominee- PFC Shri Ravi P. Singh, Nominee- POWERGRID Shri M S Babu Nominee- NHPC Smt. Rita Acharya , Nominee-MOP Shri S. Balachandran Shri Hemant Bhargava, Nominee-LIC of India Shri Ved Kumar Jain Shri Dipak Chatterjee Shri Anil Razdan Shri Dharendra Swarup Shri H.L. Bajaj

All Independent Directors of the Company qualify the conditions of their being independent.

(B) Non- executive Directors compensation and disclosures

The Company had not paid any remuneration to any of its Non-Executive Directors, except the Sitting fees for attending the meetings of Board/ Committees for those who accept the same.

Sr. No.	Meetings	*Sitting fee per Meeting (Rs.)
1	Board Meetings	20,000
2	Committees Meetings	20,000

* The Sitting Fee to nominee Directors of Promoter Companies/ LIC of India is directly paid to the respective Promoter Company/ LIC.

(C) Other provisions as to Board and Committees

(i) Details of Board Meeting held during the Financial Year 2012-13

During the financial year ended 31st March 2013, the Board met eight times as against the minimum requirement of four Board Meetings.

The details of the Board Meeting held during the financial year 2012-2013 are as under:-

Sr. No.	Date	Board strength	Number of Directors present
1	22 nd April, 2012	15	13
2	30 th May 2012	15	12
3	4 th July, 2012	15	12
4	13 th August, 2012	14	11
5	10 th September, 2012	14	13
6	8 th November, 2012	14	13
7	13 th Feb, 2013	14	12
8	15 th March, 2013	14	12

ii) Directors Attendance Record and Directorship in other companies as on 31st March, 2013

Sr. No	Name of the Director	Board Meetings in FY 12-13		Attendance at Last AGM (held on 28/09/2011)	No. of Directorships in other companies held as on 31st March, 2013	No. of Committee Chairmanship/ Membership as on 31st March, 2013*
		Held during the Tenure	Attended			
1	Shri Deepak Amitabh	8	8	Y	2	NIL
2	Shri S N Goel	3	3	NA	3	NIL
3	Shri I.J. Kapoor	8	8	N	5	NIL
4	Shri M.K. Goel	8	7	N	9	2
5	Shri Ravi P Singh	8	6	N	2	1
6	Shri M S Babu	1	1	NA	NIL	NIL
7	Smt. Rita Acharya	8	6	N	1	NIL
8	Shri S. Balachandran	8	8	N	4	4
9	Shri Hemant Bhargava	8	6	N	NIL	NIL
10	Shri Ved Jain	8	7	N	5	7
11	Shri Dipak Chatterjee	8	7	Y	2	3
12	Shri Anil Razdan	8	8	N	4	2
13	Shri Dharendra Swarup	8	6	N	1	3
14	Shri H.L. Bajaj	8	7	N	NIL	NIL
15	Shri T N Thakur	5	5	Y	NA	NA
16	Shri A.B .L. Srivastava	7	4	N	NA	NA
17	Shri Akhilesh Mishra	3	1	N	NA	NA

*Y=Yes, N= No, N.A.= Not Applicable

*In line with Clause 49 of listing Agreement, only the Directorship of Audit & Shareholders grievance Committee have been taken in to consideration in reckoning the membership/ chairmanship of committees.

In terms of Listing Agreement, none of the Director on the Company's Board is a member of more than ten (10) committees and Chairman of more than five (5) committees (Committees being, Audit Committee and Investor Grievance Committee) across all the companies in which they are Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than fifteen (15) public companies.

The Non-executive Directors do not have any shareholding in the Company. Further, Directors are not relatives of each other and none of the employees of the Company are relative of any of the Directors.

At the last AGM 14,325 members (including proxies) holding 103722064 number of equity shares recorded presence during the meeting.



(iii) Changes in Directorship of the Company in FY 12-13

During the Financial Year 2012-2013, there are following changes in the composition of Board of Directors of the Company:

Sr. No.	Name of Director	Joining/ Cessation	Date of joining/ Cessation
1	Shri Ravi P. Singh	Joining	03.04.2012
2	Shri Akhilesh Mishra	Cessation	19.07.2012
3	Shri S. N. Goel	Joining	27.09.2012
4	Shri T. N. Thakur	Cessation	10.10.2012
5	Shri A.B. L. Srivastava	Cessation	10.02.2013
6	Shri M S Babu	Joining	01.03.2013

The Board places on record its deep appreciation for the valuable contribution made by S/Shri T. N. Thakur, Shri Akhilesh Mishra and Shri A.B.L. Srivastava .members of the Board, who cease to be Directors of the Company in FY 2012-13.

(D) Board Procedure

(i) Decision making process

The Board of Directors acts as trustees of stakeholders and is responsible for the overall functioning of the Company. With a view to professionalize all corporate affairs and setting up systems and procedures for advance planning of matters requiring discussion/decisions by the Board, the Company has defined appropriate guidelines for the meetings of the Board of Directors. These Guidelines facilitate the decision making process at the meetings of Board, in well informed and proficient manner.

(ii) Scheduling and selection of Agenda items for Board /Committee Meetings

- The meetings are being convened by giving appropriate notice after obtaining the approval of the Chairman of the Board/Committee. To address urgent needs, meetings are also being called at short notice. The Board is also authorized to pass Resolution by Circulation in case of business exigencies or urgency of matters.
- Detailed agenda, management reports and other explanatory statements are circulated in advance amongst the members for facilitating meaningful, informed and focused decisions at the meetings. The Company Secretary while preparing the Agenda ensures that all the applicable provisions of law, rules, guidelines etc. are adhered to. The Company ensures compliance of all the applicable provisions of the Companies Act, 1956, SEBI Guidelines, Listing Agreement, and various other statutory requirements.
- All the department heads are notified of the Board meeting in advance and are requested to provide the details about the matters concerning their department requiring discussion/approval/ decision at the Board meetings. Based on the information received, the agenda papers are prepared and submitted to concerned department Heads for obtaining approval of the Chairman. Duly approved agenda papers are circulated amongst the Board members by the Company Secretary.
- Where it is not practicable to attach any document or the agenda due to its confidential nature, the same is tabled before the meeting with the approval of the Chairman. In special and exceptional circumstances, additional or supplemental item(s) to the agenda are circulated. Sensitive subject matters are discussed at the meeting without written material being circulated.
- The meetings are usually held at the Company's Registered Office in New Delhi.
- In addition to detailed agenda being already circulated, presentations are also made at the Board/ Committee meetings covering Finance, Operations & Sales, Human Resources, Marketing and major business segments of the Company to facilitate efficient decision making.

(g) The members of the Board have complete access to all information of the Company. The Board is also free to recommend inclusion of any matter in agenda for discussion. Senior management officials are called to provide additional inputs to the items being discussed by the Board, as and when necessary.

(E) Recording minutes of proceedings at the Board Meeting

The minutes of the proceedings of each Board/Committee meeting are recorded and are duly entered in the minute book kept for the purpose. The minutes of each Board/ Committee meeting are circulated among the Board/ Committee members in the next Board Meeting for their confirmation.

(F) Follow-up mechanism

The guidelines laid down for the Board and Committee Meetings ensures that an effective post meeting follow-up & review has been done. The actions taken on the decisions are reported to the Board/ Committee in the form of Action Taken Report (ATR) tabled at the immediately succeeding meeting of the Board/ Committee for noting by the Board/ Committee.

2. Committees of the Board of Directors

The Board has constituted many functional Committees depending on the business needs and legal requirements. The Committees constituted by the Board on the date of the Report are as follows:

- Audit Committee
- Remuneration / Compensation (ESoP) Committee
- Investor Grievance Committee
- Nomination Committee
- Ethics And Compliance Committee
- Group of Directors for Business Development

2.1 Audit Committee

a) Composition

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and the provisions of Clause 49 of the listing Agreement, Audit Committee has been constituted by the Board of Directors.

The Audit Committee presently comprises of the following Non-Executive and Independent Directors:

Sr. No.	Name of the Director
1	Shri S. Balachandran
2	Shri Hemant Bhargava
3	Shri Ved Jain
4	Shri Dipak Chatterjee
5	Shri Dharendra Swarup

The Company Secretary acted as the Secretary of the Committee.

b) Terms of Reference

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

- Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment or removal of the statutory auditor and the fixation of audit fees.
- Reviewing with management the periodical financial statements before submission to the Board for approval, with particular reference to (i) changes in accounting policies and practices, (ii) major accounting entries involving estimates based on exercise of judgment by management, (iii) qualifications in draft audit report (if any), (iv) significant adjustments

made in financial statements arising out of the audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with listing and other legal requirements concerning financial statements, (viii) Disclosures of any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large;

- d. Reviewing with the management performance of statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- e. Reviewing the adequacy of internal audit functions;
- f. Discussion with internal auditors any significant findings and follow-up thereon;
- g. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h. 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.
- i. 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 & background, etc. of the candidate.
- j. Any other work as may be assigned by the Board of Director (s) of the Company from time to time.

The terms of reference stipulated by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The Audit Committee had reviewed the Annual Financial Statements, before their submission to the Board, as prescribed in Section 292A of the Companies Act 1956. The CFO, Internal auditors and statutory auditors of the Company are permanent invitees at the meetings of Audit Committee. The minutes of the Committee were placed before the Board of Directors for information. PTC has not denied any personnel access to the Audit Committee of the company in respect of any matter. There was no case of alleged misconduct.

c) Number of Committee Meetings and Attendance

Four meetings of Audit Committee were held during FY 12-13 The details of Committee meeting and its members attendance during FY 12-13 is mentioned below:-

Sr. No.	Name of Director	Audit Committee Meetings	
		Held during the Tenure	Attended
1	Shri S. Balachandran	4	4
2	Shri Hemant Bhargava	4	4
3	Shri Ved Jain	4	4
4	Shri Dipak Chatterjee	4	3
5	Shri D. Swarup	4	4

2.2 Remuneration / Compensation (ESoP) Committee

a) Terms of Reference

The Remuneration Committee of the Company review, approves and recommends to the Board the matters connected with fixation and periodic revision of remuneration of Chairman & Managing Director and Whole time Directors, as also such other work relating to remuneration as may be assigned by the Board of Director (s) of the Company from time to time. The Compensation Committee looks after the work relating to ESoP as per the SEBI guidelines.

b) Composition and meetings

Presently this Committee comprise of following Directors:

Sr. No.	Name of the Director
1	Shri S. Balachandran
2	Smt. Rita Acharya
3	Shri Dipak Chatterjee
4	Shri H.L. Bajaj
5	Shri D. Swarup

Shri Rajiv Maheshwari, Company Secretary acts as the Secretary to the Committee. The Committee is chaired by Independent Director. The Committee has its meeting as per the requirement.

c) Detail of Remuneration to CMD and Whole-time Directors of the Company during FY 2012-2013

The remuneration paid to the CMD and Whole-time Directors during the FY 2012 -2013 is as under:

Sr. No.	Director	Designation	Remuneration (figures in Rs. million)- FY 12-13
1.	Shri Deepak Amitabh	CMD	6.65
2.	Shri S N Goel Joined w.e.f. 27.09.2012	Director	2.65
3.	Shri T.N. Thakur Completed his tenure as CMD w.e.f. 10th October, 2012	Ex-CMD	10.20

CMD has surrendered his Stock options of PTC and PFS. The entire CTC of CMD and WTDs is fixed component. Notice period of CMD and WTDs is 3 months.

d) Detail of payment made towards sitting fee to the Non- Executive Directors for Board/ Committee Meeting during the year 2012-2013 is as under:

Sr. No.	Name of the Director	Designation	Remuneration (figures in Rs. million)- FY 12-13
1	Shri I.J. Kapoor*	Non- Executive	0.30
2	Shri M.K. Goel*	Non- Executive	0.14
3	Shri M S Babu*	Non- Executive	0.02
4	Shri S. Balachandran	Non- Executive	0.42
5	Shri Hemant Bhargava*	Non- Executive	0.20
6	Shri Ved Jain	Non- Executive	0.28
7	Shri Dipak Chatterjee	Non- Executive	0.30
8	Shri Anil Razdan	Non- Executive	0.30
9	Shri Dharendra Swarup	Non- Executive	0.28
10	Shri H.L. Bajaj	Non- Executive	0.18
11	Shri A. B. L. Srivastava*		0.20

* Sitting Fee paid to the respective Promoter Company/ LIC of India.

2.3 Investor's Grievance Committee

a) Composition

The Committee comprises of following Non- Executive Directors:

Sr. No.	Name of the Director
1	Shri Dipak Chatterjee
2	Shri Ved Jain
3	Shri I.J. Kapoor

The Committee is chaired by the independent Director and meets as per the requirement.



b) **Name & Designation of Compliance Officer**

Shri Rajiv Maheshwari, Company Secretary of the Company acts as the Compliance Officer of the Company.

c) **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.

d) **Investors Complaints received and resolved during the year**

During the year under review 216 complaints received and resolved during the Financial Year 2012-13.

Given below is a table showing investor complaints of last three years .

Sr. No.	Year	Number of Complaints Received
1	2012-2013	216
2	2011-12	104
3	2010-11	159

2.4 **Nomination Committee**

a) **Composition**

The Committee presently comprises of following Directors:-

Sr. No.	Name of the Director
1	Shri Anil Razdan
2	Shri Deepak Amitabh
3	Shri Dharendra Swarup
4	Smt. Rita Acharya
5	Shri I.J. Kapoor
6	Shri S. Balachandran
7	Shri Dipak Chatterjee

b) **Compliance Officer and Meeting**

Shri Rajiv Maheshwari, Company Secretary acts as the Secretary to the Committee and committee meets as per the requirement.

c) **Terms of Reference**

Assessing and selecting/nominating or recommending to the Board for selection/nominations of strong and capable Chairman & Managing Director, Whole-time Directors and Independent Directors to serve on the board and making recommendations on such matters as may be desired by the Board.

2.5 **Code of Ethics & Prohibition of Insider Trading Committee**

Composition

Presently this committee comprises of following Directors:-

Sr. No.	Name of the Director
1	Shri Dipak Chatterjee
2	Shri Ved Jain
3	Shri I.J. Kapoor

The Committee is chaired by Independent Director.

Shri Rajiv Maheshwari, Company Secretary of the Company acts as the Compliance officer under the 'Code of Conduct for prevention of Insider Trading and Code of Corporate Disclosure Practices' of PTC. The Committee meets as per the requirements.

2.6 **Committee of Group of Directors for Business Development**

The Board of Directors of the Company has recently formed a Committee of Group of Directors for Business Development of the Company. The Committee presently comprises of following Directors:

Sr. No.	Name of the Director
1	Shri Deepak Amitabh
2	Shri I.J. Kapoor
3	Shri Ravi P. Singh
4	Shri S. Balachandran
5	Shri Anil Razdan
6	Shri Dharendra Swarup
7	Shri Ved Jain

The Group meets as per the requirement.

Procedure at Committee Meetings

The Company's guidelines relating to Board meetings are generally applicable to Committee meetings as far as may be practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee meetings are placed before the Board meetings.

3. **Disclosures**

There are no material significant transactions with related parties except those mentioned in the Annual Accounts for the FY 12-13 conflicting with the Company's interest. There was also no instance of non-compliance on any matter related to the Capital Markets during the last years. The information related to the Company is also available at Company's web-site www.ptcindia.com. The proceeds of the public issue have been used for the purpose(s) for which it was raised.

4. **Code of conduct for Directors and Senior Management**

The Company has framed a Code of Conduct for Directors and senior officers of the Company, which has been complied by the Board members and senior officers of the Company.

5. **Code for prevention of Insider Trading**

In terms of Securities and Exchange Board of India (Insider Trading) Regulations, 1999, the Company has formulated a comprehensive policy for prohibition of Insider Trading in PTC Equity Shares to preserve the confidentiality and to prevent misuse of unpublished price sensitive information.

In line with the requirement of the said code, the trading window was closed from time to time, whenever some price sensitive information was submitted to the Board. Notice of the closure of trading window was issued to all employees well in advance.

Declaration require under Clause 49 of the Listing Agreement

All the members covered under the "Code of Business Conduct and Ethics for Board Members and Senior Management" have affirmed with the said code for the Financial year 2012-13.

Sd/-
Deepak Amitabh
Chairman & Managing Director

6. **Subsidiary Monitoring Framework**

Both subsidiary companies of the Company are Board managed with their Board's having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies, inter alia, by the following means:

- (a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed by the Audit Committee of the Company.

- (b) All minutes of Board meetings of subsidiary companies are placed before the Company's Board on regular basis.

7. General Body Meetings

Annual General Meeting (AGM)

Details of last three Annual General Meetings are as under:

Financial Year	Date of the Meeting	Time of the Meeting	Venue of the Meeting	Special resolutions passed
2011-2012	September 21, 2012	04:30 p.m	FICCI 1, Foundation House, Tansen Marg, New Delhi- 110001	1
2010-2011	September 28th ,2011	04:00 p.m.	Dr. Sarvepalli Radhakrishnan Auditorium ,Kendriya Vidyalaya No.-2, Delhi Cant. New Delhi-110010	1
2009-10	September 23rd, 2010	11:00 p.m.	FICCI Golden Jubilee Auditorium Federation House, Tansenmarg, New Delhi.	1

8. Special Resolution and Postal Ballot

No resolution has been passed through postal ballot during the Financial Year 2012-13. None of the business proposed to be transacted in the ensuing AGM require passing a special resolution through Postal Ballot. No Extra ordinary General Meeting was held during the year.

9. Disclosure on materially significant related party transactions i.e. transactions of the company of material nature, with its Promoters, the Directors and the management, their relatives or subsidiaries, etc. that may have potential conflict with the interests of the Company at large

None of the transactions with any of the related parties were in conflict with the interest of the Company. Transactions with the related parties are set out in Notes on Accounts, forming part of the Annual Report.

All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

10. Means of communication & website

- (a) Quarterly/Annual financial Results: Quarterly/ Annual Financial Results of the Company are generally published in One English and One Hindi News Paper and are displayed on the Company's website www.ptcindia.com.
- (b) Website: The Company's website www.ptcindia.com contains a separate dedicated section 'Investor Relations' where shareholders information is available.
- (c) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and other's entitled thereto and is displayed on the Company's website www.ptcindia.com

11. CFO/CEO Certification

As required by clause 49 of the Listing Agreement, a Certificate duly signed by Shri Deepak Amitabh, Chairman & Managing Director and Shri Arun Kumar, Chief Financial Officer of the Company was placed before the Board of Directors in its meeting dated 23rd May, 2013 while consideration of Annual Accounts for the period ended 31st March, 2013.

12. General Shareholders Information

a) Annual General Meeting (AGM)

Meeting No.	14th
Date	
Time	
Venue	

b) Financial Calendar for year ended 31st March, 2013

Particulars	Date
1. Financial Year	1st April, 2012 to 31st March, 2013
2. Un- audited Financial Results for first three Quarters	Announcement in compliance with Listing Agreement
3. Annual Financial Results	Announcement in compliance with Listing Agreement

c) Tentative Financial Calendar for year ended 31st March, 2014

Particulars	Date
1. Financial Year	1st April, 2013 to 31st March, 2014
2. Un- audited Financial Results for first three Quarters	Announcement will be in compliance with the Listing Agreement
3. Annual Financial Results	Will be announce and published with In 60 days from the end of each FY

d) Appointment/ Re-appointment of Directors

In accordance with the provisions of Companies Act, 1956 and Articles of Association of the Company, S/Shri Hemant Bhargava, I.J.Kapoor, Shri Ved Jain and Dipak Chatterjee retires by rotation at the ensuing Annual General Meeting of your Company, and being eligible, offers themselves for re-appointment.

Shri M S Babu presently Additional Director, are proposed to be appointed as a Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting.

S/Shri Deepak Amitabh was appointed as Chairman & Managing Director of the Company w.e.f. 16th October, 2012, prior to that he was Director (Fin.) of the Company. Shri S N Goel was appointed as Whole- Time Director of the Company w.e.f. 27th September, 2012.

Your Directors have recommended the appointment/ re-appointment of the above said Directors at the ensuing Annual General Meeting.

The brief resume of Directors retiring by rotation and Additional Directors seeking appointment is appended with the notice calling Annual General Meeting of the Company

e) Payment of Dividend

• Final Dividend details for financial year 2012-2013

The Board of Directors in its meeting held on 23rd May, 2013 has recommended a dividend @ 16% i.e. Rs. 1.60/- Equity Share (on the face value of Rs. 10/- each) for the Financial Year 2012-2013, subject to approval of shareholders in the forthcoming Annual General Meeting of Company.

• Dividend History for the last five years

Sr. No.	Financial Year	Total Paid up Capital in Rs.	Rate of Dividend
1	2011-2012	2949735710	15%
2	2010-2011	2949735710	15%
3	2009-2010	2945474010	12%
4	2008-2009	2274190000	12%
5	2007-2008	2274190000	10%



f) **Book Closure**

The book closures dated of the Company were from 14th September, 2012 to 21th September, 2012 both days including for the purpose of payment of dividend for the FY 2011-12.

g) **Pay- out Date for Payment of Final Dividend**

The final dividend on equity shares, as recommended by the Board of Directors, subject to provisions of Section 206(A) of the Companies Act, 1956, if approved by the members at the forthcoming Annual General Meeting of the Company, shall be paid to those shareholders whose name appear in the Register of Members as on the last date of book closure or in the list of beneficial holders provided by NSDL/ CDSL.

h) **Unclaimed Dividend**

Section 205 of the Companies Act, 1956, mandates that Companies to transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to Investor Education Provident Fund (IEPF) of Central Government. As on the date of this report, in accordance with following schedule, the dividend for the years mentioned as follows, if unclaimed with in stipulated time will be transferred to IEPF.

Year	Type	Dividend Per Share (Rs.)	Date of Declaration	Amount (Rs.)
2005-06	Final	1.0	18th July, 2006	479949
2006-07	Final	1.0	28th September, 2007	538111
2007-08	Final	1.0	06th August, 2008	917207
2008-09	Final	1.2	23rd September, 2009	1154786
2009-10	Final	1.2	23rd September, 2010	697838
2010-11	Final	1.5	28th September, 2011	1212857
2011-2012	Final	1.5	21st September, 2012	1533369

i) **Transfer of Unclaimed Dividend to Investor Education Provident Fund (IEPF)**

Pursuant to provisions of Section 205(A) (5) of Companies Act, 1956, the declared dividend for FY04-05 amounting to Rs. 10,91,571/- and which remain unclaimed/unpaid for the period of seven years has been transferred by the Company to Investor Education Provident Fund(IEPF), established by Central Government.

j) **Listing on Stock Exchanges and stock codes**

The Company's Shares are listed on following Stock Exchanges

Name of the Stock Exchange	Address	Stock Code	ISIN No.
National Stock Exchange of India Limited	Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 40051.	PTC EQ	INE877F01012
Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532524	

k) **Listing Fees**

Annual Listing Fee for FY 2013-2014 (as applicable) has been paid by the Company to both the Stock Exchanges.

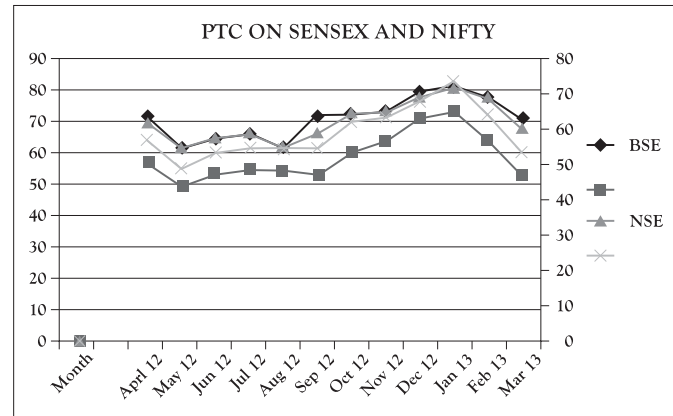
l) **Market Price Data**

The High/Low of the market price of the Company's equity shares traded on Bombay Stock Exchange and National Stock Exchange, during the financial

year ended 31st March 2013 were as follows:

Month	BSE		NSE	
	High	Low	High	Low
April-12	71.95	57.15	69.70	57.25
May-12	61.70	49.05	61.70	49.00
June-12	64.95	53.60	65.05	53.55
July-12	66.35	54.95	66.35	54.65
August-12	61.90	54.70	61.80	54.65
September-12	72.00	53.00	66.35	54.65
October-12	72.70	60.10	72.90	62.20
November-12	73.20	63.75	73.30	63.60
December-12	79.60	71.25	77.90	68.00
January-13	81.25	73.15	81.25	74.05
February-13	77.75	64.35	77.80	64.30
March-13	71.30	53.20	67.90	53.40

Graphical Representation of Market Price Data on BSE and NS



m) **Registrar & Share Transfer agent**

M/s. MCS Limited,
F-65, Okhla Industrial Area, Phase-I,
New Delhi-110020.

n) **Share Transfer System**

The shares under physical segment are transferred through M/s MCS Ltd., Registrar and Share Transfer Agent (R&TA).

Further pursuant to clause 47(c) of the Listing Agreement with the stock Exchanges, Certificate on half 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.

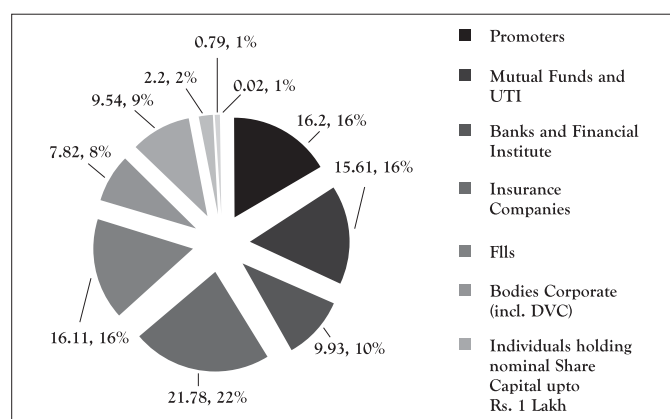
o) **Distribution of shareholding as on 31st March, 2013**

• **Distribution by Category**

Description	No. of Cases	Total Shares	% of Equity
Promoters	4	48000000	16.20
Mutual Funds/ UTI	56	46193550	15.61
Financial Institutions/ Banks	34	29389586	9.93
Insurance Companies	13	64460624	21.78
FII's	95	47694164	16.11
Bodies Corporates	1556	23138350	7.82

Description	No. of Cases	Total Shares	% of Equity
Individuals :-			
(1) Individuals holding nominal Share Capital upto Rs.1 Lakh	132191	28243813	9.54
(2) Individuals holding nominal Share Capital more than Rs.1 Lakh	199	6507936	2.20
Others:-			
(1) Trust & Foundations	13	55775	0.02
(2) NRIs	1515	2324523	0.79
Total	135676	296008321	100

Graphical Representation of Shareholding Pattern of the company on the basis of distribution by category as on 31st March, 2013



• Distribution by size

Range of Equity Shares held	Folios	% of Shareholders	Total No. of Shares	% of Shares
1 - 500	124722	91.93	14308737	4.83
501 - 1000	5645	4.16	4607760	1.56
1001 - 2000	2788	2.05	4336929	1.47
2001 - 3000	862	.63	2196435	.74
3001 - 4000	409	.30	1456896	.49
4001 - 5000	298	.21	1398111	.47
5001 - 10000	422	.31	3096115	1.05
10001 - 50000	334	.24	7105765	2.40
50001 - 100000	49	.03	3414395	1.15
100001-Above	147	.10	254087178	85.83
Total	135676	100	296008321	100

Nominal Value of each Share is Rs.10/-

p) Dematerialization of shares

Company's Shares are available for dematerialization in both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Reconciliation of Share Capital Audit Report for the Quarter ended 31st March, 2013, 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 as on 31st March, 2013, was obtained from Practicing Company Secretary and submitted to the Stock Exchanges with in stipulated time.

Number of Shares held in Dematerialized and physical mode as on 31st March, 2013:

Category	No. of Holders	No. of Shares	% of total Shares Issued
Physical	9424	10026306	3.39
NSDL	92015	264470719	89.34
CDSL	34237	21511296	7.27
Total	135676	296008321	100

q) Shares Liquidity

The trading volumes at the Stock Exchanges, during the financial year 2012-2013, are given below:

Months	National Stock Exchanges of India Limited	Bombay Stock Exchange Limited
	Number of Shares Traded	Number of Shares Traded
April, 2012	2,74,40,443	56,81,446
May, 2012	1,38,71,938	30,18,351
June, 2012	1,47,67,635	23,79,865
July, 2012	1,75,22,585	33,33,318
August, 2012	1,33,66,442	17,95,335
September, 2012	3,14,40,053	59,58,239
October, 2012	1,68,45,089	25,86,456
November, 2012	2,05,53,398	34,63,526
December, 2012	1,95,50,315	29,14,003
January, 2013	2,35,34,736	41,81,015
February, 2013	1,72,33,808	27,75,925
March, 2013	1,68,43,333	20,48,411

r) Outstanding ADRs/GDRs/ Warrants/ or any Convertible instruments, conversion date and likely impact on equity

Neither ADRs/GDRs/ Warrants/ nor any Convertible instruments has been issued by the Company.

s) Investor Correspondence

- Registered office Address :-
PTC India Limited.
2nd Floor, NBCC Towers, 15 Bhikaji Cama Place,
New Delhi-110066
- Company Secretary & Compliance Officer:-
Rajiv Maheshwari
PTC India Limited
2nd Floor, NBCC Towers, 15 Bhikaji Cama Place,
New Delhi-110066 E-mail :- rajivmaheshwari@ptcindia.com

t) Compliance Certificate from the Practicing Company Secretary

Certificate from the Practicing Company Secretary M/s Ashish Kapoor & Associates, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed hereinafter.

u) Corporate Identity Number

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L40105DL1999PLC099328.



v) **Adoption of Non- Mandatory requirements of clause 49**

The status/ extent for non-mandatory requirements of clause 49 of Listing Agreement is as under:

Sr. No.	Non- Mandatory Provisions	Status/ Extent
1	(a) Maintenance of Non- Executive Chairman's Office (b)Independent Director's tenure not to exceed nine years in aggregate.	Not Applicable as Chairman is Executive and also the Managing Director of the Company. None of Independent Director has been appointed for a period exceeding 9 years.
2	Remuneration Committee	Already Constituted. Details given elsewhere in this report
3	Half-yearly financial performance and summary of significant events may be sent to shareholders	This information is available on Company's website.
4	Audit Qualifications	Auditors have given unqualified report for FY ended 31st March, 2013.
5	Training of Board Members	Company arranges meetings/ programmes in this regard from time to time.
6	Mechanism for evaluating Non-Executive Board Members	All Non- Executive Board Members of the Company are experts and have vast experience in their respective fields.
7	Whistle Blower Policy	Not Adopted

Acknowledgments

The Board of Directors acknowledge with deep appreciation the co-operation received from the Government of India, particularly the Ministry of Power and the Ministry of External Affairs, State Electricity Utilities, State Governments, Regional Power Committees, Central Electricity Authority, Central Electricity Regulatory Commission, State Electricity Regulatory Commissions, Promoters viz. Power Grid Corporation of India Ltd., NTPC Ltd., Power Finance Corporation Ltd., NHPC Ltd. , Life Insurance Corporation of India and other valuable investors of the Company and look forward to their continued support in future.

The Board wishes to place on record its appreciation for efforts and contribution made by the employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors

(Deepak Amitabh)
Chairman & Managing Director
DIN: 01061535

Place : New Delhi
Date : 24.06.2013

Details in respect of the PTC India Limited Employees Stock Option Scheme pursuant to Clause 12 of SEBI (Employees' Stock Option Scheme and Employees' Stock Purchase Scheme) Guidelines, 1999 as on 31.03.2013.

Sr. No.	Description	Particulars of Employee Stock Option Scheme -2008 :-1 st tranche		Particulars of Employee Stock Option Scheme -2008 :-2 nd tranche	
A.	Options granted	4,548,380 Options were granted to the employees and Directors of Company on August 21, 2008	1705643 options were granted to the employees and Directors of the Company on July 22nd, 2009		
B	Pricing formula	Category of Participants	Exercise Price	75% of the market price on date of grant	
		Category I (who joined the Company or the Group on or before March 31, 2003)	Rs. 10.00 being higher of the following: Rs. 8.58, being 10% of Market Price, or Rs. 10.00		
		Category II (who joined the Company or the Group between April 01, 2003 to March 31, 2006)	Rs. 25.73, being higher of the following Rs. 25.73, being 30% of Market Price, or Rs. 10.00		
		Category III (who joined the Company or the Group on or after April 01, 2006 onwards)	Rs. 42.88, being higher of the following Rs. 42.88, being 50% of Market Price, or Rs. 10.00		
C	Options vested	1974107		419745	
D	Options exercised	1829507		94214	
E	The Total number of Shares arising as a result of exercise of Options	1829507		94214	
F	Options lapsed	2574273		1023224	
G	Variation of terms of Options	Nil		Nil	
H	Money realized by exercise of Options	Rs 33.56 million		Rs6.05 million	
I	Total number of Options in force	1,44,600		5,88,205	
J	Details of options granted to :				
	i) Senior Managerial Personnel :	*Sh. T.N.Thakur **Sh. Shashi Shekhar Sh. Deepak Amitabh Sh. Ashok Haldia. Shri Arun Kumar *Ceased to be a director on 11/11/2012 **Ceased to be a director on 17/01/2011 Out of the above, following Directors have surrendered their options as per details below:- Sh.T.N.Thakur - 9,84,300 Sh.Shashi Shekhar - 5,20,500 Sh. Deepak Amitabh- 4,49,123 Sh. Ashok Haldia- (PFS)2,00,000	11,58,000 5,20,500 5,28,380 2,00,000 3,00,000		3,17,258 1,19,651 1,19,651 92,470 79,737 Following Directors have surrendered all of their unexercised options:- Shri T.N.Thakur Sh. Shashi Shekhar Sh. Deepak Amitabh Sh. Ashok Haldia (PFS)
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Same as (i) above	Same as (i) above	Same as (i) above	
	iii) Identified employees who were granted option during any one year, equal to or exceeding 1% of the issue capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil			



K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 Earnings Per Share.	Rs 4.36 per share	
L	i) Method of calculation of employee compensation cost.	The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for stock-based compensation cost for the financial year 2012-13.	The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for stock-based compensation cost for the financial year 2012-13
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the options.	Employee compensation cost is lower by Rs 0.18 million	
	iii) The impact of this difference on Profits and on EPS of the Company.	The effect of adopting the fair value method on the net income and earnings per share is presented below:	
			Rs. in mn.
		Net Income as reported	Rs 1287.44
		Add: Intrinsic value Compensation cost	Rs 3.79
		Less: Fair value compensation cost (as per Black Scholes) On the basis of Fair Valuation Method	Rs 3.97
		Adjusted Net Income	1287.26
		Earning Per Share (Rs.)	Basic
		As reported	4.36
		As adjusted	4.36
M	Weighted average exercise price and weighted average fair value of Options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	- Weighted average exercise price of options outstanding : Rs. 58.93 - Weighted average fair value of first tranche : Rs. 66.18	- Weighted average fair value of second tranche : Rs. 46.45
N.	A description of the method and significant assumptions used during the year to estimate the fair values of options	The fair value of each options estimated using the Black Scholes Options Pricing Model after applying the following key assumptions (weighted values)	
	(i) 9.10%	Risk free interest rate	6.80%
	(ii) 6 years	Expected life	6 years
	(iii) 67.53%	Expected volatility	52.04%
	(iv) 1.23%	Expected dividend	1.47%
	(v) Rs81.36	The price of the underlying shares in market at the time of option grant	Rs 81.90



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
PTC India Limited
2nd Floor, NBCC Tower,
15 Bilkaji Cama Place
New Delhi-110066

We have examined the compliance of conditions of Corporate Governance by PTC India Limited, for the year ended on March 31, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

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

For Ashish Kapoor & Associates
Company Secretaries

Ashish Kapoor
Proprietor
CP No. 7504

Place : New Delhi
Date : 24.06.2013

CEO & CFO CERTIFICATE

Audited results for the year ended March, 2013.

- a. We have reviewed financial statements and the cash flow statement for the year ended March, 2013 and that to the best of our knowledge and belief-
 - (i.) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii.) These statements together present a true and fair view of the 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 the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of 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 that there were no instance of;
 - i) Significant changes in internal control during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) 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 company's internal control system.

sd/ - CFO

sd/- CEO

Dated : - the 23rd May, 2013
Place : New Delhi



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PTC INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of PTC India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 to the extent applicable;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 006591N

(Bhuvnesh Maheshwari)

Partner

Place : New Delhi
Date : 23rd May 2013

Membership No.- 088155

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Report of even date)

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the explanations given to us, all the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the Company and the nature of its assets and no material discrepancy was noticed on such verification as compared to book records.
- c) The Company has not disposed off substantial part of the fixed assets during the year.
- ii. a) The management has conducted physical verification of inventory at the year end.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4 (iii) (a), (b), (c) and (d) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(iii) (e), (f) and (g) of the Companies (Auditors' Report), 2003 (as amended) are not applicable to the Company.

- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. According to the information and explanations given to us, the company has not entered into any contract or arrangement with the Companies or Entities covered u/s 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4 (v) (a) and (b) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. Accordingly, the provisions of clause 4 (vi) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the records maintained by the Company for generation of power pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate and complete.
- ix. a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and any other statutory dues applicable to it with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and any other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, the dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of a dispute and the forum where the dispute is pending are as follows:

Statute	Nature of Dues	Period to which the amount relates	Amount involved (Rs. in Millions)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	AY 2006-07	4.90	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	AY 2007-08	10.31	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	AY 2008-09	13.98	ITAT Delhi
Income Tax Act, 1961	Income Tax	AY 2009-10	22.02	ITAT Delhi
Income Tax Act, 1961	Income Tax	AY 2010-11	16.70	ITAT Delhi
Customs Act, 1962	Custom Duty	FY 2012-13	106.10	Office of the Deputy Commissioner of Customs, Nellore

- x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The Company does not have any loan from any financial institution and has not issued any debentures.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4 (xii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi or mutual benefit fund or society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 4(xv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company did not have any term loans outstanding during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- xviii. According to the information and explanations given to us, during the year the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(xviii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xix. The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xx. The Company has not raised any money through a public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xxi. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 006591N

(Bhuvnesh Maheshwari)
Partner
Membership No.- 088158

Place : New Delhi
Date : 23rd May 2013



BALANCE SHEET AS AT 31ST MARCH 2013

(` in mn)

S. No.	Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I.	EQUITY AND LIABILITIES			
(1)	Shareholders' funds			
	(a) Share capital	2	2,960.08	2,949.74
	(b) Reserves and surplus	3	20,296.72	19,551.41
			23,256.80	22,501.15
(2)	Non-current liabilities			
	(a) Deferred tax liabilities (net)	4	-	62.79
	(b) Long-term provisions	5	18.53	22.48
			18.53	85.27
(3)	Current liabilities			
	(a) Trade payables	6	11,009.52	12,581.88
	(b) Other current liabilities	7	371.49	361.05
	(c) Short-term provisions	8	557.33	590.40
			11,938.34	13,533.33
	Total		35,213.67	36,119.75
II.	ASSETS			
(1)	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	322.30	334.93
	(ii) Intangible assets	10	4.70	6.27
	(b) Non-current investments	11	9,129.77	8,235.03
	(c) Deferred tax assets (net)	4	42.36	-
	(d) Long-term loans and advances	12	84.33	71.87
			9,583.46	8,648.10
(2)	Current assets			
	(a) Current investments	13	115.12	0.41
	(b) Inventories	14	183.12	414.50
	(c) Trade receivables	15	21,421.12	25,810.06
	(d) Cash and bank balances	16	3,534.55	458.24
	(e) Short-term loans and advances	17	373.10	788.16
	(f) Other current assets	18	3.20	0.28
			25,630.21	27,471.65
	Total		35,213.67	36,119.75

Summary of significant accounting policies

1

The accompanying notes are integral part of the financial statements

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(` in mn)

S. No.	Particulars	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
I.	Revenue from operations	19	88,568.68	76,502.75
II.	Other income	20	118.57	504.96
III.	Total Revenue (I + II)		88,687.25	77,007.71
IV.	Expenses:			
	Purchases of electricity		81,366.06	74,388.97
	Rebate on sale of power		791.25	376.95
	Fuel Cost	21	2,723.06	-
	Operating Expenses		1,639.87	-
	Employee benefits expense	22	129.74	119.00
	Finance costs	23	9.15	259.72
	Depreciation and amortization expense	9 & 10	42.05	44.63
	Other expenses	24	218.64	164.10
	Total expenses		86,919.82	75,353.37
V.	Profit before exceptional, prior period items and tax (III-IV)		1,767.43	1,654.34
VI.	Exceptional items	25	0.26	2.66
VII.	Profit before prior period items and tax (V +VI)		1,767.69	1,657.00
VIII.	Prior period items	26	(16.90)	1.22
IX.	Profit before tax (VII-VIII)		1,784.59	1,655.78
X.	Tax expense:			
	-Current tax		602.31	463.79
	-Deferred tax (net)		(105.16)	(11.67)
XI.	Profit for the year after tax (IX-X)		1,287.44	1,203.66
XII.	Earnings per equity share	27		
	(1) Basic (`)		4.36	4.08
	(2) Diluted (`)		4.36	4.07

Summary of significant accounting policies

1

The accompanying notes are integral part of the financial statements

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

(` in mn)

Particulars	For the Year ended 31.03.2013	For the Year ended 31.03.2012
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	1,784.59	1,655.78
Adjustment for:		
Depreciation and amortization	42.05	44.63
ESOP expenses	3.79	9.92
Provision for investment	-	0.10
Loss on sale of fixed assets	1.15	0.28
Investment written off	-	0.85
Excess provision written back	(1.41)	(2.94)
Foreign exchange fluctuation	(11.85)	(3.19)
Finance cost	9.15	259.62
Dividend Income	(72.83)	(28.48)
Interest Income	(16.47)	(198.62)
Rental Income	(13.20)	(12.74)
Profit on sale of investment	(1.14)	(259.81)
Operating profit before working capital changes	1,723.83	1,465.40
Adjustment for:		
Inventories	231.38	(414.50)
Trade receivables	4,388.94	(16,031.15)
Loans and advances	418.22	(361.51)
Current liabilities	(1,548.97)	7,245.77
Provisions	(8.06)	1.70
Cash generated/(used) from operating activities	5,205.34	(8,094.29)
Direct taxes paid (net)	(686.56)	(432.36)
Net cash generated/(used) from operating activities (A)	4,518.78	(8,526.65)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	13.36	295.30
Dividend received	72.83	28.48
Rent received	13.20	12.74
Purchase of fixed assets	(29.88)	(5.83)
Sale of fixed assets	0.88	0.07
Sale/(Purchase) of investments in associates	(180.45)	(202.50)
Sale/(Purchase) of investments in subsidiaries	-	(140.00)
Sale/(Purchase) of investments in joint venture	-	(0.10)
Sale/ (Purchase) of investments (net)	(827.86)	2,893.23
Decrease/(Increase) in term deposits	-	2,967.10
Net cash generated/ (used) in investing activities (B)	(937.92)	5,848.49
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of additional Shares (including share premium net of expense)	18.53	-
Finance cost paid	(9.19)	(259.58)
Dividend paid (including dividend tax)	(514.24)	(514.27)
Cash flow generated/(used) from financing activities (C)	(504.90)	(773.85)
Net increase/ (use) in cash and cash equivalents (A+B+C)	3,075.96	(3,452.01)
Cash and cash equivalents (opening balance)	452.06	3,904.07
Cash and cash equivalents (closing balance)	3,528.02	452.06

Notes:		
1. Cash and cash equivalents include		
Cash on hand (including foreign currency)	0.14	0.19
Current accounts	804.88	249.87
Term deposits (original maturity period upto 3 months)	2,723.00	202.00
Cash and cash equivalents at the year end (a)	3,528.02	452.06
Other bank balances		
-Dividend accounts	6.53	6.18
Other bank balances at the year end (b)	6.53	6.18
Cash and bank balances at the year end (a)+(b)	3,534.55	458.24

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Companies (Accounting Standards) Rules, 2006.
- Figures in bracket indicate cash outflow.
- Previous year's figures have been rearranged/regrouped/reclassified wherever necessary.

The accompanying notes are integral part of the financial statements

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary



NOTES TO THE FINANCIAL STATEMENTS

Note No. 1 Summary of significant accounting policies

1 Basis of preparation of Accounts

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards in India. The financial statements adhere to the relevant presentational requirements of the Companies Act, 1956.

2 Fixed Assets

- i. Fixed Assets are stated at original cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses related to acquisition, installation and commissioning. Expenses incurred on tangible/intangible assets are carried forward as capital work in progress at cost till the same are ready for use.
- ii. Depreciation is provided on Written Down Value method as per the rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956. Assets costing upto ` 5,000/- are fully depreciated in the year of capitalization.
- iii. Computer software recognized as intangible asset is amortised on straight line method on pro-rata basis over a period of three years.
- iv. Capital expenditure on assets not owned by the Company is reflected as distinct item in Capital work-in-progress till the period of completion and thereafter in the Fixed Assets and is amortised over a period of three years.
- v. No amortization is provided for in case of leasehold land on perpetual lease. Other Leasehold land are amortised over the lease period.

3 Inventories

Inventories are valued at lower of the cost or net realizable value. The cost of the inventories is determined on first in first out (FIFO) basis.

4 Revenue

- i. Revenue from sale of power is accounted for, based on rates agreed with the beneficiaries, excluding service charges wherever separately indicated in the agreement.
- ii. Service charges include transaction fee charged under the contracts of purchase and supply of power.
- iii. Revenue in the form of Management and/or Success Fee for services rendered in relation to development work of Potential Power Projects is recognised when such fee is assured and determinable under the terms of the respective contract.
- iv. The surcharge on late/non-payment of dues by sundry debtors for sale of energy is not treated as accrued due to uncertainty of its realization and is, therefore, accounted for on receipt basis.
- v. Consultancy income is recognized proportionately with the degree of completion of services.
- vi. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable
- vii. Dividend is accounted when the right to receive is established

5 Prepaid and prior-period items

Prepaid and prior-period items up to ` 5000/- are accounted to natural heads of accounts.

6 Employee Benefits

i. Short Term Benefits

Employee benefits (other than post employment benefits) which fall due wholly within twelve months after the end of the year in which the employees render the related service are recognized at the amount expected to be paid for it.

ii. Post Employment Benefits

Defined contribution plans

Liability in respect of defined contribution plans are accounted for to the extent of contributions paid/payable to the separate entity/trust/fund.

Defined Benefit plan

- (a) Liability in respect of defined benefit plans is accounted for on actuarial valuation basis at the period/year end.
- (b) Actuarial gains and losses are recognized in the statement of profit and loss in the year of its occurrence.
- iii. Liability in respect of gratuity, leave encashment and provident fund of employees on deputation with the Company are accounted for on the basis of terms and conditions of deputation of the parent organizations.

7 Foreign Exchange

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Liability / receivables on account of foreign currency are converted at the exchange rates prevailing as at the end of the year and gains / losses thereon are taken to the statement of profit and loss.

8 Employee Stock option based compensation

The excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of the options given to employees under the employee stock option plan is recognize as deferred stock compensation cost and amortized over the vesting period, on a straight line basis.

9 Investments

- i. Long term investments are carried at cost less provision, if any, for permanent diminution in the value of such investments. Short term investments are carried at lower of cost or fair value.
- ii. Equity stock futures are recognized at the end of the period/year in the books to the extent of initial/Mark to Market margin paid/received. Equity stock futures are carried at cost where they are used as an instrument for hedging and independent open positions of equity stock future are being carried at lower of cost or fair value.
- iii. Equity index/stock options are recognized at the end of the period/year in the books to the extent of premium paid. Equity index/stock options are carried at cost where they are used as an instrument for hedging and independent open positions of equity index/stock options are being carried at lower of cost or fair value.

10 Earnings per Share

In determining basic earnings per share, the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period/year. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period/year are adjusted for the effect of all dilutive potential equity shares.

11 Provisions and Contingencies

A provision is recognized when the Company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

12 Income Tax

Provision for current tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

13 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

14 Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Note No. 2 – SHARE CAPITAL
a) Share capital

Particulars	As at 31.03.2013 ` in mn	As at 31.03.2012 ` in mn
Authorised 750,000,000 (previous year 750,000,000) equity shares of ` 10/- each	7,500.00	7,500.00
Shares issued, subscribed and fully paid up 296,008,321 (previous year 294,973,571) equity shares of ` 10/- each	2,960.08	2,949.74

b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year is as under:-

Particulars	Shares (Nos.)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
Equity shares outstanding at the beginning of the year	294,973,571	294,973,571
Equity shares issued during the year	1,034,750	-
Equity shares outstanding at the end of the year	296,008,321	294,973,571

c) During the year, 1,034,750 equity shares of ` 10/- each were issued under the Company's Employee Stock Option Scheme.

d) The Company has only one class of equity shares having a face value of ` 10 each. Each shareholder of equity share is entitled to one vote per share.

e) Shareholders holding more than 5% shares of the Company*

Name of the shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of shares	%	No. of shares	%
Life Insurance Corporation of India Limited	52,819,312	17.84%	53,153,112	18.02%
HDFC Standard Life Insurance Company Limited	19,799,291	6.69%	-	-
Reliance Capital Trustee Company Limited	15,071,917	5.09%	18,271,917	6.19%

* inclusive of shares held by shareholders through various schemes/its various folios

f) Shares reserved for issue

Particulars	As at 31.03.2013	As at 31.03.2012
Equity shares for Employee stock options (ESOP)* (Nos.)	732,805	1,867,505

*for terms of ESOP, refer note no. 22

Note No. 3 – RESERVES AND SURPLUS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
(i) Securities premium account		
Opening balance	15,825.66	15,825.66
Add: Transferred from ESOP	70.18	-
Outstanding A/c on exercise of ESOP	-	-
Add: Received on exercise of ESOP	8.19	-
Sub total (i)	15,904.03	15,825.66

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
(ii) Share option outstanding account		
Opening balance	91.87	103.95
Additions during the year	-	-
Deductions during the year	(72.32)	(12.08)
Closing balance	19.55	91.87
Less: Deferred employee compensation	(0.43)	(6.35)
Sub total (ii)	19.12	85.52
(iii) General reserve		
Opening balance	1,907.53	1,546.43
Additions during the year	386.23	361.10
Sub total (iii)	2,293.76	1,907.53
(iv) Contingency reserve		
Opening balance	10.47	10.47
Sub total (iv)	10.47	10.47
(v) Surplus being balance in statement of profit & loss		
Opening balance	1,722.23	1,393.91
Addition: Profit for the year	1,287.44	1,203.66
Deductions during the year:		
(a) Proposed dividend	(473.61)	(442.46)
(b) Dividend tax on proposed dividend	(80.49)	(71.78)
(c) Transfer to general reserve	(386.23)	(361.10)
Sub total (v)	2,069.34	1,722.23
Grand Total (i) +(ii)+(iii) +(iv) +(v)	20,296.72	19,551.41

The Board of Directors in their meeting held on 23 May, 2013 has proposed a dividend of ` 1.60 per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note No. 4 – DEFERRED TAX LIABILITIES / ASSETS (NET)

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
(a) Deferred tax liability on account of timing differences in:-		
Depreciation	23.56	71.93
Sub-total (a)	23.56	71.93
(b) Deferred tax asset arising on account of timing differences in:-		
Employee benefits	6.78	9.14
Expenses not allowable for income tax in the current year	59.14	-
Sub-Total (b)	65.92	9.14
Net deferred tax liabilities/ (Assets) (a-b)	(42.36)	62.79

Note No. 5 – LONG TERM PROVISIONS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Provision for employee benefits	18.53	22.48
Total	18.53	22.48



Note No. 6 – TRADE PAYABLES

a) Trade payables

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Trade payables – micro & small enterprises	-	-
Trade payables – others	11,009.52	12,581.88
Total	11,009.52	12,581.88

b) Based on the information available with the Company, there are no dues as at March 31, 2013 payable to enterprises covered under “ Micro Small and Medium Enterprises Development Act, 2006”. As such, no interest is paid/ payable by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

Note No. 8 – SHORT TERM PROVISIONS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Proposed dividend–equity shares	473.61	442.46
Dividend distribution tax on proposed dividend	80.49	71.78
Provision for income tax (Net of advance tax of NIL, previous year ` 394.96mn)	-	68.82
Provision for employee benefits	3.23	7.34
Total	557.33	590.40

Note No. 7 – OTHER CURRENT LIABILITIES

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Advances from customers	269.12	266.21
Security deposits received	64.60	63.15
Unpaid/ unclaimed dividend	6.53	6.18
Statutory liabilities	23.69	17.96
Interest accrued but not due	0.04	0.12
Other payables–employees	7.51	7.43
Total	371.49	361.05

Note No. 9 – FIXED ASSETS–TANGIBLE ASSETS

(` in mn)

Description	Gross block				Depreciation/Amortisation				Net block	
	As at 01.04.2012	Additions	Sales/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Adjustments	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS										
Land										
-Leasehold land – perpetual Lease	34.43	-	-	34.43	-	-	-	-	34.43	34.43
-Leasehold land – others	1.26	-	-	1.26	0.24	0.06	-	0.30	0.96	1.02
Buildings	149.17	-	-	149.17	60.57	4.43	-	65.00	84.17	88.60
Furniture and fixtures	20.42	8.43	(2.24)	26.61	16.01	1.15	(1.39)	15.77	10.84	4.41
Vehicle	7.59	-	(1.70)	5.89	3.99	0.85	(1.37)	3.47	2.42	3.60
Plant and machinery	354.74	-	-	354.74	159.96	27.10	-	187.06	167.68	194.78
Office equipments	29.56	18.58	(1.92)	46.22	21.47	4.03	(1.08)	24.42	21.80	8.09
Capital expenditures not represented by capital asset	5.54	-	-	5.54	5.54	-	-	5.54	-	-
Total	602.71	27.01	(5.86)	623.86	267.78	37.62	(3.84)	301.56	322.30	334.93
Previous year	600.98	4.49	(2.76)	602.71	229.65	40.55	(2.42)	267.78	334.93	

Note No. 10 – FIXED ASSETS–INTANGIBLE ASSETS

(` in mn)

Description	Gross block				DEPRECIATION/AMORTISATION				Net block	
	As at 01.04.2012	Additions	Sales/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Adjustments	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Computer software	17.77	2.87	(0.01)	20.63	11.61	4.32	-	15.93	4.70	6.16
Membership fee to power exchanges	3.00	-	-	3.00	2.89	0.11	-	3.00	-	0.11
Total	20.77	2.87	(0.01)	23.63	14.50	4.43	-	18.93	4.70	6.27
Previous year	19.54	1.34	(0.11)	20.77	10.52	4.08	(0.10)	14.50	6.27	

The management is of the opinion that no case of impairment of assets exists under the provision of Accounting Standard (AS)-28 on Impairment.

Note No. 11 – NON CURRENT INVESTMENTS
(a) Non current investments

Particulars	Face value `	(` in mn)			
		Quantity as at	Quantity as at	Amount as at	Amount as at
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Long term trade investments – Quoted (At cost)					
Equity shares- fully paid up					
Subsidiary company					
- PTC India Financial Services Limited	10	337,250,001	337,250,001	4,460.00	4,460.00
Long term trade investments – Unquoted (At cost)					
Equity shares- fully paid up					
Subsidiary company					
- PTC Energy Limited (Wholly Owned)	10	55,000,000	55,000,000	550.00	550.00
Associate companies					
- Krishna Godavari Power Utilities Limited	10	37,548,700	19,503,493	375.48	195.03
- Athena Energy Ventures Private Limited	10	150,000,000	150,000,000	1,500.00	1,500.00
Joint venture companies					
- Ashmore PTC India Energy Infrastructure Advisors Private Limited*	10	4,680	4,680	0.05	0.05
- Ashmore PTC India Energy Infrastructure Trustee Private Limited*	10	4,733	4,733	0.05	0.05
Other companies					
- Teesha Urja Limited	10	224,015,000	141,086,000	2,243.29	1,414.00
- Chenab Valley Power Projects Private Limited	10	100,000	100,000	1.00	1.00
Long term non trade investments – Quoted (At cost)					
Mutual funds					
- 'Religare FMP Series XIV 378 Days Growth	10	-	5,500,000	-	55.00
- 'Kotak FMP Series 84 Growth	10	-	6,000,000	-	60.00
				9,129.87	8,235.13
Less: Provision for diminution in value of Investments				0.10	0.10
Total				9,129.77	8,235.03
Aggregate market value of quoted non current investments				4,721.50	5,460.41
Aggregate cost of quoted non current investments				4,460.00	4,575.00
Aggregate cost of unquoted non current investments				4,669.77	3,660.03

* Under liquidation

- (b) The Company has pledged, in favour of Power Finance Corporation Limited (PFC), 77,77,500 Equity Shares of ` 10 each at par held by it in M/s. Krishna Godavari Power Utilities Limited (KGPUL) along with the promoter of KGPUL to comply with the lending requirements of PFC for loan taken by KGPUL.
- (c) Provision for diminution of investments has been made for the Company's investment in Ashmore PTC India Energy Infrastructure Advisors Private Limited and Ashmore PTC India Energy Infrastructure Trustee Private Limited.
- (d) As per Accounting Standard – 27 – 'Financial reporting of interest in Joint Ventures' notified under Companies (Accounting Standards) Rules 2006, the Company's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture

companies, incorporated in India, are given below:

Particulars	As at 31.03.2013		As at 31.03.2012	
	Ashmore PTC India Energy Infrastructure Advisors Private Limited	Ashmore PTC India Energy Infrastructure Trustee Private Limited	Ashmore PTC India Energy Infrastructure Advisors Private Limited	Ashmore PTC India Energy Infrastructure Trustee Private Limited
Company's ownership interest	40%	40%	40%	40%
Assets (` in mn)	0.05	0.05	0.05	0.05
Liabilities (` in mn)	0.02	0.02	0.01	0.01
Income (` in mn)	NIL	NIL	NIL	NIL
Expenses (` in mn)	0.01	0.01	0.01	0.01
Contingent liabilities (` in mn)	NIL	NIL	NIL	NIL
Capital commitments (` in mn)	NIL	NIL	NIL	NIL

Note No. 12 – LONG TERM LOANS AND ADVANCES

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Unsecured, considered good		
Loans and advances to employees	10.00	10.75
Interest accrued but not due	3.89	3.70
Security deposits	11.98	14.65
Advance income tax (net of provision for income tax ` 2691.82 mn, Previous year ` 1,625.72 mn)	57.53	42.10
Advance fringe benefit tax (net of provision for fringe benefit tax ` 7.56 mn, (Previous year ` 7.56 mn)	0.57	0.57
Prepaid expenses	0.36	0.10
Total	84.33	71.87

Note No. 13 – CURRENT INVESTMENTS

Particulars	Face Value `	(` in mn)			
		Quantity as at	Quantity as at	Amount as at	Amount as at
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Current maturities of long term non trade investments – Quoted (At cost)					
Mutual funds					
- 'Religare FMP Series XIV 378 Days Growth	10	5,500,000	-	55.00	-
- 'Kotak FMP Series 84 Growth	10	6,000,000	-	60.00	-
Short term investment- non trade (Unquoted) (At cost)					
Mutual funds					
- Franklin Templeton Money Plus Account	10	11,980	40,759	0.12	0.41
Total				115.12	0.41
Aggregate market value of quoted current investments				126.44	-
Aggregate cost of quoted current investments				115.00	-
Aggregate cost of unquoted current investments				0.12	0.41

Note No. 14 – INVENTORIES

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Raw material-Coal*	175.93	414.50
Raw material-Coal in transit*	7.19	-
Total	183.12	414.50

*Valued at lower of cost or net realizable value



Note No. 15 – TRADE RECEIVABLES

a) Trade receivables

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Trade receivables outstanding for a period exceeding six months from the date they become payable		
– Secured, considered good	-	-
– Unsecured, considered good	14,243.92	13,522.31
Other Trade receivables		
– Secured, considered good	-	-
– Unsecured, considered good	7,177.20	12,287.75
Total	21,421.12	25,810.06

- b) Trade receivables are hypothecated to the banks for availing the non- fund based working capital facilities.
- c) Trade receivables include an amount of ` 162.30 mn due from Tamil Nadu Electricity Board (TNEB) towards compensation claim. The Company considers the said amount as good and recoverable even though TNEB has not accepted the claim of the Company. The matter has been referred to the Madras High Court which has appointed a sole arbitrator in this respect.

Note No. 16 – CASH AND BANK BALANCES

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Cash and cash equivalents:-		
Cash on hand (including foreign currency)	0.14	0.19
Balance with banks:-		
–Current accounts	804.88	249.87
–Term deposits	2,723.00	202.00
Sub total (i)	3,528.02	452.06
Other bank balances:-		
–Dividend accounts	6.53	6.18
Sub total (ii)	6.53	6.18
Grand Total (i) +(ii)	3,534.55	458.24

Note No. 17 – SHORT TERM LOANS AND ADVANCES

a) Short term loans and advances

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Unsecured, considered good		
Loan and advances to related parties:-		
(i) Subsidiary company		
– PTC India Financial Services Limited	2.31	-
(ii) Associate Company		
–Krishna Godavari Power Utilities Limited (Advance against investment)	-	180.50
Employees loans and advances	3.54	4.64
Security deposit	154.16	158.81
Prepaid expenses	3.55	4.11
Open access advances	151.12	341.59
Service tax credit	2.94	0.44
Advance to trade payables	52.84	95.43
Other advances	2.64	2.64
Total	373.10	788.16

b) Loans and advances due from directors–NIL.

Note No. 18 – OTHER CURRENT ASSETS

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Unsecured, considered good		
Interest accrued but not due	3.20	0.28
Total	3.20	0.28

Note No. 19 – REVENUE FROM OPERATIONS

Particulars	(` in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Sale of electricity	87,417.58	75,371.42
Sale of services (Consultancy)	6.27	1.18
Rebate on purchase of power	879.95	778.59
Service charges	139.56	79.65
Surcharge on sale of power	125.32	271.91
Total	88,568.68	76,502.75

Note No. 20 – OTHER INCOME

a) Other Income

Particulars	(` in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Interest income	16.47	198.62
Dividend	72.83	28.48
Profit from sale of investment		
– on current investments–non trade (net)	1.14	11.61
– on long term investments–non trade (net)	-	248.20
Rental Income	13.20	12.74
Foreign currency fluctuation (net)	11.85	3.19
Miscellaneous income	3.08	2.12
Total	118.57	504.96

b) Dividend received from subsidiary company –NIL

Note No. 21 – FUEL COST

Particulars	(` in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Opening stock	414.50	-
Purchases of Coal	2,404.84	475.30
Fuel Oil Charges	26.04	-
Less: Consumed by project developer with whom power tolling agreement made.	(143.33)	(60.80)
Add: Stock replaced by project developer with whom power tolling agreement made.	204.13	-
Less: Closing stock	(183.12)	(414.50)
Total	2,723.06	-

Note No. 22 – EMPLOYEE BENEFITS EXPENSE

a) Employee Benefit Expenses

Particulars	₹ in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Salaries and wages	101.23	89.12
Contribution to provident fund	4.76	4.34
Gratuity	2.30	1.91
Staff welfare expenses	17.66	13.71
Employee compensation expense (ESOP)	3.79	9.92
Total	129.74	119.00

b) The Details of the Employee Stock Options Scheme (ESOP) is given as under:

i) Particulars of scheme

Date of grant	21-Aug-2008, 22-July-2009
Date of board approval	21-Aug-2008
Date of shareholders' approval	06-Aug-2008
Number of options granted	6,254,023
Method of settlement	Equity
Vesting period	1 to 4 years
Exercise period	5 years from the date of first vesting
Vesting conditions	Employee's continued employment during vesting period (as per clause 10 of the Plan) with the Company or group.

ii) Details of vesting:

Vesting period from the grant date	Vesting schedule
On completion of 1st year	15%
On completion of 2nd year	15%
On completion of 3rd year	30%
On completion of 4th year	40%

iii) The details of activity under the plan have been summarized below:-

Particulars	As at 31.03.2013		As at 31.03.2012	
	Number of shares (Nos)	Weighted average exercise price (₹)	Number of shares (Nos)	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,867,505	36.49	2,102,839	36.25
Forfeited/ surrendered during the year	99,950	64.20	235,334	34.34
Exercised during the year	1,034,750	17.93	-	-
Outstanding at the end of the year	732,805	58.93	1,867,505	36.49
Exercisable at the end of the year	470,131	55.99	738,072	28.61
Weighted average remaining contractual life (in years)	2.12	-	2.73	-

iv) The details of exercise price for stock options outstanding at the end of the year are as given:-

Particulars	As at 31.03.2013	As at 31.03.2012
Range of exercise prices (₹)	10 to 64.20	10 to 64.20
Number of options outstanding	732,805	1,867,505
Weighted average remaining contractual life of options (in years)	2.12	2.73
Weighted average exercise price (₹)	58.93	36.49

v) Effect of ESOP scheme on profit & loss and financial position:-

a) Effect on profit & loss:-

Particulars	₹ in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Employee compensation cost pertaining to ESOP Plan during the year	3.79	9.92

b) Effect on financial position:-

Particulars	₹ in mn)	
	As at 31.03.2013	As at 31.03.2012
Liability for employee stock options outstanding as at the year end	19.55	91.87
Deferred compensation cost outstanding as at the year end	0.43	6.35

vi) Impact on reported profit and earnings per share, if the employee compensation cost would have been computed using the fair value method:-

Particulars	₹ in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Profit as reported for the year	1,287.44	1,203.66
Add: Employee stock compensation under intrinsic value method	3.79	9.92
Less: Employee stock compensation under fair value method	3.97	13.45
Pro forma profit	1,287.26	1,200.13

vii) Earnings per share (₹)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Basic		
- As reported	4.36	4.08
- As pro forma	4.36	4.07
Diluted		
- As reported	4.36	4.07
- As pro forma	4.36	4.06

(viii) The fair value of each stock option issued in the year 2009-10 and 2008-09 has been estimated using Black Scholes Options Pricing model after applying the following key assumptions (weighted value):

Particulars	Options granted in the year 2009-10	Options granted in the year 2008-09
Price per option (₹)		
Volatility	52.04%	67.53%
Expected dividend	1.47%	1.23%
Risk free rate of interest	6.80%	9.10%
Option life (years)	6	6
The price of underlying share in the market	81.90	81.36
Fair value per option	46.45	66.18

c) The disclosures as required by AS-15 (Revised) on Employees Benefits are as under:



i) The amounts recognized in the balance sheet are as follows:

(` in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation	17.68	21.97	2.62	0.75	9.08	9.70
Fair value of plan assets	-	-	-	-	7.62	2.60
Net asset / (liability) recognized in Balance Sheet	(17.68)	(21.97)	(2.62)	(0.75)	(1.46)	(7.10)

ii) Changes in the present value of obligation representing reconciliation of opening and closing balances thereof are as follows:

(` in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at the beginning of the year	21.97	22.36	0.75	0.74	9.70	9.28
Interest cost	1.76	1.90	0.06	0.06	0.78	0.79
Current service cost	2.27	2.59	0.24	-	1.26	1.23
Benefits paid	(7.35)	(2.45)	(0.10)	(0.08)	(3.49)	(1.97)
Actuarial (gain)/loss on obligation	(0.97)	(2.43)	1.67	0.03	0.83	0.37
Present value of obligation as at the end of year	17.68	21.97	2.62	0.75	9.08	9.70

iii) Changes in the fair value of plan assets are as follows:

(` in mn)

Particulars	Gratuity (Funded) As at 31.03.2013	Gratuity (Funded) As at 31.03.2012
Fair value of plan assets as at the beginning of the year	2.60	4.26
Expected return on plan assets	0.21	0.34
Actuarial gain/(loss) on obligation	0.20	(0.03)
Contributions	8.10	-
Benefits paid	(3.49)	(1.97)
Fair value of plan assets as at the end of the year	7.62	2.60

iv) Percentage of each category of plan assets to total fair value of plan assets as at the end of the year:-

Particulars	Gratuity (Funded) As at 31.03.2013	Gratuity (Funded) As at 31.03.2012
Administered by ICICI Prudential Life Insurance	85.97%	98.68%
Bank balance	14.03%	1.32%

v) The amounts recognized in the statement of profit and loss for the year are as follows:-

(` in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Current service cost	2.27	2.59	0.24	-	1.26	1.23
Interest cost	1.76	1.90	0.06	0.06	0.78	0.79
Expected return on plan assets	-	-	-	-	(0.21)	(0.34)
Net actuarial (gain)/loss recognized in the year	(0.97)	(2.43)	1.67	0.03	0.63	0.40
Expenses recognized in the statement of profit and loss*	3.06	2.06	1.97	0.09	2.46	2.08

*includes amount recoverable from group companies

The Company expects to contribute ` 2.00 mn to gratuity, ` 0.45 mn to Post-employment medical benefit and ` 3.21 mn to leave encashment in 2013-14.

vi) Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under post retirement medical benefits scheme.

Sr. No.	Particulars	One percent point increase in medical inflation rate	One percent point decrease in medical inflation rate
I	Increase/(decrease) on aggregate service and interest cost of post retirement medical benefits	0.09	(0.07)
II	Increase/(decrease) on present value of defined benefit obligations as at 31 March, 2013	0.63	(0.48)

vii) Economic Assumption:

The principal assumptions are the discount rate and salary increase. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of the liabilities and the salary increase takes.

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Discounting rate	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
Future salary increase	5.50%	6.00%	5.50%	6.00%	5.50%	6.00%
Expected Rate of return on plan assets	N. A.	N. A.	N. A.	N. A.	8.00%	8.00%
Expected average remaining working lives of employees in number of years	24.01	23.36	24.01	N.A.	24.01	23.36

viii) Experience on actuarial gain/ (loss) for benefit obligations and plan assets:

(` in mn)

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Experience adjustments on present value of gratuity obligation	(0.79)	(0.71)	(3.38)	0.03
Experience adjustments on plan assets of gratuity	0.20	(0.04)	(0.05)	0.01
Experience adjustments on present value of leave encashment obligation	1.08	2.33	(4.84)	1.32

ix) Demographic assumptions

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Mortality table	IALM (1994-96) duly modified	LIC (1994-96) duly modified	IALM (1994-96) duly modified	LIC (1994-96) duly modified	IALM (1994-96) duly modified	LIC (1994-96) duly modified
Ages	Withdrawal rates					
upto 30 years	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
from 31 to 44 years	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

x) Details of expenses incurred for defined contribution plans during the year:

Defined contribution plans	Year ended	
	31.03.2013	31.03.2012
Provident fund	4.76	4.34

Note No. 23 – FINANCE COSTS

a) Finance Cost

Defined contribution plans	Year ended	
	31.03.2013	31.03.2012
Interest expense	9.15	259.62
Other borrowing cost	-	0.10
Total	9.15	259.72

b) As per Power purchase agreements entered into with the off takers of Chukha and Kurichhu power projects (Bhutan), the interest earned on the term deposits made with commercial banks for the payments received on behalf of these projects is passed back to them. Accordingly interest income as well as expense is accounted for in the books of account.

Note No. 24 – OTHER EXPENSES

a) Other Exepnses

Particulars	Year ended	
	31.03.2013	31.03.2012
Rent	0.72	0.66
Repairs to building	3.67	3.14
Repairs to machinery – Wind mill	7.75	7.38
Insurance	0.69	0.95
Rates and taxes	6.66	5.86
Auditors' remuneration	0.63	0.65
Provision for diminution in value of investments	-	0.10
Legal & professional charges	44.66	29.97
Consultancy expenses	21.15	31.24
Advertisement	3.59	3.96
Communication	5.37	5.26
Business development	11.44	8.89
Travelling and conveyance expenses	23.66	18.53
Printing & stationery	2.90	2.62

(` in mn)

Particulars	Year ended	
	31.03.2013	31.03.2012
Fees & expenses to directors	2.62	1.64
Repair & Maintenance – Others	3.63	2.42
Bank charges	5.83	5.68
EDP expenses	1.31	0.85
Books & periodicals	0.12	0.19
Water & electricity expenses	4.84	4.05
Investment written off	-	0.85
Security expenses	1.64	1.40
Property tax	0.60	0.60
Other general expenses	64.41	26.01
Charity & donation	0.75	1.20
Total	218.64	164.10

b) Details of Auditors' Remuneration:

Particulars	Year ended	
	31.03.2013	31.03.2012
Statutory audit fees	0.50	0.49
Tax audit fees	0.05	0.05
Other matters	0.05	0.05
Out of pocket expenses	0.03	0.06
Total *	0.63	0.65

*net of ` 0.08 mn (previous year ` 0.06mn) of service tax credit

c) The Company has taken warehouse and branch office on operating lease . The disclosures as per AS-19 are given as under:-

- ` 0.72 mn has been debited to the statement of profit and loss (Previous year ` 0.66 mn).
- Details of future lease payments

Particulars	As at	
	31.03.2012	31.03.2011
Year up to 1 year	0.70	0.61
Years later than 1 year and not later than 5 years	NIL	NIL
Years later than 5 years	NIL	NIL

Note No. 25 – EXCEPTIONAL ITEMS

Particulars	Year ended	
	31.03.2013	31.03.2012
Loss on sale of fixed assets (net)	(1.15)	(0.28)
Excess provision written back	1.41	2.94
Total	0.26	2.66

Note No. 26 – PRIOR PERIOD ITEMS

Particulars	Year ended	
	31.03.2013	31.03.2012
Legal & professional charges	0.24	-
Rent	-	1.22
Applicaton fee	(17.04)	-
Others	(0.10)	-
Total	(16.90)	1.22



Note No 27 – EARNINGS PER EQUITY SHARE

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Opening equity shares (Nos. in mn)	294.97	294.97
Equity shares issued during the year (Nos. in mn)	1.03	-
Closing equity shares (Nos. in mn)	296.00	294.97
Weighted average number of equity shares used as denominator for basic earnings (Nos. in mn)	295.44	294.97
Weighted average number of equity shares used as denominator for diluted earnings (Nos. in mn)	295.55	295.66
Net profit after tax used as numerator (Amount in ` mn)	1,287.44	1,203.66
Basic earnings per share (Amount in `)	4.36	4.08
Diluted earnings per share (Amount in `)	4.36	4.07
Face value per share (Amount in `)	10.00	10.00

Note No. 28 – OTHER INFORMATION

a) The company is primarily in the business of power. Consultancy income has not been reported separately as the same being insignificant. As such, there are no separate reportable segments as per Accounting Standard -17 on Segment Reporting as notified by the Companies (Accounting Standards) Rules 2006.

b) Estimated amount of capital commitments:

As at 31.03.2013	As at 31.03.2012
6.94	NIL

c) Details of contingent liabilities:

i) Claims against the Company not acknowledged as debt:

Particulars	As at 31.03.2013	As at 31.03.2012	Remarks
Claims of suppliers	1,285.64	1,285.64	1. Out of total claims, ` 849.50 mn pertains to claim of Himachal Pradesh State Electricity Board. The arbitrator concluded the arbitration in favour of PTC on 31.10.2008, however HPSEB has contested the award in the High Court of Himachal Pradesh. 2. Gujarat Urja Vikas Nigam Limited (GUVNL) has raised bills for compensation for an amount of ` 432.77 mn. GUVNL has filed a petition before GERC for direction of payment. In the opinion of the Company and also as per legal opinion, the said compensation is not payable and PTC has challenged the contention of GUVNL. Presently, the PTC appeal is pending before APTEL against GERC's Order.
Income tax demands	67.91	38.95	
Custom Duty	106.10	-	
Total	1,459.65	1,324.59	

ii) Bank guarantees :

As at 31.03.2013	As at 31.03.2012
2781.32	814.22

d) Expenditure in foreign currency (on accrual basis):

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Travelling	1.39	1.52
Consultancy	0.35	-
Others	0.42	-
Total	2.16	1.52

e) CIF value of coal import

Year ended 31.03.2013	Year ended 31.03.2012
1943.29	385.85

f) Income earned in foreign exchange:

Year ended 31.03.2013	Year ended 31.03.2012
NIL	NIL

g) The Company has entered into the following related party transactions. Such parties and transactions have been identified as per Accounting Standard 18 "Related Party Disclosures" notified under Companies (Accounting Standards) Rules, 2006.

Name of Related Party	Influence	Nature of Transaction	Year ended 31.03.2013	Year ended 31.03.2012
NTPC Limited.	Significant Influence	Director sitting fees to nominee directors	0.30	0.16
		Conference Fee	0.02	-
Power Grid Corporation of India Limited	Significant Influence	Meter installation charges	0.08	-
		Services received (wheeling charges)	1.36	1.54
Power Finance Corporation Limited	Significant Influence	Director sitting fees to nominee directors	0.14	0.08
		Pledging of shares (Refer note no.11 b)		
NHPC Limited	Significant Influence	Director sitting fees to nominee directors	0.22	0.14
		Electricity traded through IEX	3,243.03	805.94
		Services charges (IEX) (excluding service tax of ` 5.47 mn, Previous year ` 1.24 mn)	44.30	12.08
PTC India Financial Services Limited	Subsidiary	Payment of expenses on behalf of the subsidiary	44.38	31.81
		Payment of expenses by the subsidiary on behalf of the Company	1.17	0.55
		Rental income (including service tax)	12.13	9.60
PTC Energy Limited	Subsidiary	Payment of expenses etc on behalf of the subsidiary	12.92	12.40

(` in mn)

Name of Related Party	Influence	Nature of Transaction	Year ended 31.03.2013	Year ended 31.03.2012
		Sale of Fixed Assets	0.02	
		Payment of expenses etc by the subsidiary on behalf of the Company	0.15	-
		Equity Contribution	-	140.00
		Purchase of coal by the Company from the subsidiary (excluding gain on foreign exchange of ` 9.66 mn, previous year ` 4.25 mn)	1,907.76	386.67
		Rental income (including service tax)	2.70	2.65
Barak Power Private Limited (Liquidated on October 11, 2011)	Joint Venture	Equity contribution	-	0.35
		Investment written off	-	0.85
Ashmore PTC India Energy Infrastructure Advisors Private Limited@	Joint Venture	Equity contribution	-	0.05
Ashmore PTC India Energy Infrastructure Trustee Private Limited@	Joint Venture	Equity contribution	-	0.05
Krishna Godavari Power Utilities Limited	Associate	Share application money given to associates	-	180.50
		Equity contribution	180.45	-
Athena Energy Ventures Private Limited	Associate	Equity contribution against share application money	-	202.50
		Director sitting fees for nominee directors	0.10	0.08
		Payment of expenses by associate on behalf of the Company	0.02	0.04

Key Management Personnel

(` in mn)

Name	Position	Nature of Transaction	Year ended 31.03.2013	Year ended 31.03.2012
Mr. T.N.Thakur*	Chairman & Managing Director	Directors remuneration	10.20	11.88
		Amount received from sale of asset.	0.04	-
Mr. Deepak Amitabh**	Chairman & Managing Director	Directors remuneration	6.65	6.23
Mr. S. N. Goel***	Director	Directors remuneration	2.65	-

*ceased to be director on 11 October 2012

** acted as director till 15 October 2012 and appointed as CMD w.e.f. 16 October 2012

***appointed as director on 27 September, 2012

Investment Outstanding

(` in mn)

Name of the company	Relationship	As at 31.03.2013	As at 31.03.2012
PTC Energy Limited	Subsidiary	550.00	550.00
PTC India Financial Services Limited	Subsidiary	4,460.00	4,460.00
Athena Energy Ventures Private Limited	Associate	1,500.00	1,500.00
Krishna Godavari Power Utilities Limited	Associate	375.48	195.03
Ashmore PTC India Energy Infrastructure Advisors Private Limited@	Joint Venture	0.05	0.05
Ashmore PTC India Energy Infrastructure Trustee Private Limited@	Joint Venture	0.05	0.05

Provision for diminution in the value of investment

(` in mn)

Name of the company	Relationship	As at 31.03.2013	As at 31.03.2012
Ashmore PTC India Energy Infrastructure Advisors Private Limited@	Joint venture	0.05	0.05
Ashmore PTC India Energy Infrastructure Trustee Private Limited@	Joint venture	0.05	0.05

Balance Outstanding

(` in mn)

Name of the company	Relationship	Nature	As at 31.03.2013	As at 31.03.2012
NHPC Limited	Significant Influence	Balance payable	30.67	219.61
Athena Energy Ventures Private Limited	Associate	Balance payable	-	0.01
		Balance recoverable	0.01	-
PTC India Financial Services Limited	Subsidiary	Balance recoverable	2.31	-
		Maximum recoverable balance	12.99	17.02
PTC Energy Limited	Subsidiary	Balance Payable	368.85	0.12
		Maximum recoverable balance	1.75	4.96
Barak Power Private Limited (Liquidated on October 11, 2011)	Joint Venture	Maximum recoverable balance	-	1.54

@ Under Liquidation

- h) Certain balances of trade payables, trade receivables and advances are subject to confirmation.
- i) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.



j) Dividend paid to non- resident shareholders (in foreign currency):

Number of shareholders	1,668	1,674
Number of shares held	2,064,505	2,021,508
Dividend remitted (₹ in millions)	3.10	3.03
Year to which it relates	2011-12	2010-11

k) In accordance with the accounting policy, the surcharge recoverable on late/ non-payment of dues by sundry debtors is accounted for on receipt

basis. Correspondingly surcharge liabilities on late/ non-payments to the suppliers, in view of the matching concept, is not being recognized in the accounts. The estimated liability in this regard, however is lower than the company's claims from its sundry debtors.

l) The previous year figures have been reclassified / regrouped / rearranged to conform to this year classification, wherever necessary.

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of PTC India Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of PTC India Limited ("the Company") its subsidiaries, its associates and joint ventures (collectively referred to as "The Group") which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. We did not audit the consolidated financial statements of subsidiaries, whose consolidated financial statements reflect total assets of Rs. 29,927.08 millions (previous year Rs. 20,099.18 millions) as at 31st March 2013 the total consolidated revenue of Rs. 5,365.67 millions (previous year Rs. 4,491.45 millions) and consolidated net decrease in cash flows amounting to Rs. 1,184.07 millions (previous year Rs. 2,745.00 millions)

for the year. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on such report.

5. We did not audit the financial statements of associate companies for the year ended March 31, 2013 viz. Krishna Godavari Power Utilities Limited and Athena Energy Venture Private Limited, whose financial statements reflect net accumulated losses of Rs. 78.20 millions (previous year Rs. 79.07 millions), the Group's share of net profit of Rs. 0.16 millions (previous year net loss of Rs. 0.07 millions) for the year then ended as considered in consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Company's management, and their opinion, in so far as it relates to the amounts included in respect of those associates is based solely on the reports of the other auditors.

6. The accounts of the Joint Ventures Ashmore PTC India Energy Infrastructure Advisors Private Limited and Ashmore PTC India Energy Infrastructure Trustee Private Limited have been consolidated on the basis of unaudited accounts as on 31st March, 2013 as these are under liquidation and the amount involved therein is very insignificant.

7. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and (AS) 27 Financial Reporting of Interest in Joint Ventures prescribed by the Companies (Accounting Standards) Rules 2006.

8. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For K.G. Somani & Co.
Chartered Accountants
Firm's Reg. No.- 006591N

Bhuvnesh Maheshwari
(Partner)
Membership No.- 088155

Place : New Delhi
Date : 23rd May 2013



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

(` in mn)

S. No.	Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I.	EQUITY AND LIABILITIES			
(1)	Shareholders' funds			
	(a) Share capital	2	2,960.08	2,949.74
	(b) Reserves and surplus	3	23,382.89	22,055.03
			26,342.97	25,004.77
(2)	Minority interest		4,870.26	4,636.39
(3)	Non-current liabilities			
	(a) Long-term borrowings	4	9,456.57	6,879.67
	(b) Deferred tax liabilities (net)	5	100.05	111.74
	(c) Long-term provisions	6	138.80	89.89
			9,695.42	7,081.30
(4)	Current liabilities			
	(a) Short-term borrowings	7	5,867.99	281.00
	(b) Trade payables	8	11,027.94	12,656.49
	(c) Other current liabilities	9	1,221.38	940.96
	(d) Short-term provisions	10	685.77	521.67
			18,803.08	14,400.12
	Total		59,711.73	51,122.58
II.	ASSETS			
(1)	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	11	541.03	592.97
	(ii) Intangible assets	12	5.06	7.36
	(iii) Capital work-in-progress		7.81	-
	(b) Non-current investments	13	9,555.60	7,623.95
	(c) Long-term loans and advances	14	20,813.40	10,948.61
	(d) Other non-current assets	15	325.88	133.91
			31,248.78	19,306.80
(2)	Current assets			
	(a) Current investments	16	265.06	0.41
	(b) Inventories	17	177.32	397.93
	(c) Trade receivables	18	21,437.42	25,881.63
	(d) Cash and bank balances	19	4,610.56	2,718.34
	(e) Short-term loans and advances	20	796.85	2,178.45
	(f) Other current assets	21	1,175.74	639.02
			28,462.95	31,815.78
	Total		59,711.73	51,122.58

Summary of significant accounting policies

1

The accompanying notes are integral part of the financial statements

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(` in mn)

S. No.	Particulars	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
I.	Revenue from operations	22	91,993.93	80,587.04
II.	Other income	23	137.19	515.18
III.	Total Revenue (I + II)		92,131.12	81,102.22
IV.	Expenses:			
	Purchases of electricity		81,366.06	74,388.97
	Rebate on sale of power		791.25	376.95
	Purchases of coal		435.78	1,192.39
	Cost of certified emission reduction units		-	41.38
	Fuel cost	24	2,712.28	-
	Operating Expenses		1,639.87	-
	Employee benefits expense	25	202.19	173.56
	Finance costs	26	1,020.68	945.30
	Depreciation and amortization expense	11 & 12	82.97	91.60
	Other expenses	27	420.73	357.29
	Total expenses		88,671.81	77,567.44
V.	Profit before exceptional, prior period items and tax (III-IV)		3,459.31	3,534.78
VI.	Exceptional items	28	0.08	2.66
VII.	Profit before prior period items and tax (V +VI)		3,459.39	3,537.44
VIII.	Prior period items	29	(16.90)	1.22
IX.	Profit before tax (VII-VIII)		3,476.29	3,536.22
X.	Tax expense:			
	-Current tax		1,061.76	952.09
	-Minimum alternative tax credit entitlement		-	(0.38)
	-Deferred tax (net)		(11.71)	(9.65)
XI.	Profit for the year before share of associates and minority interest		2,426.24	2,594.16
	Add: Share of profit/(loss) of associates (includes ` NIL (previous year ` 3.46) of prior period items)		(44.30)	(1.38)
	Less: Minority interest in profit		(399.11)	(551.56)
	Net profit for the year after share of associates and minority interest		1,982.83	2,041.22
XII.	Earnings per equity share	30		
	(1) Basic (`)		6.71	6.92
	(2) Diluted (`)		6.71	6.90

Summary of significant accounting policies

1

The accompanying notes are integral part of the financial statements

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

(` in mn)

Particulars	For the Year ended 31.03.2013	For the Year ended 31.03.2012
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	3,476.29	3,536.22
Adjustment for:		
Depreciation and amortization	82.97	91.60
ESOP expenses	4.94	12.18
Provision for investment	21.43	-
Loss on sale of fixed assets	1.33	0.28
Investment written off	-	0.52
Contingent provision against standard assets	51.64	46.30
Excess provision written back	(3.73)	(3.15)
Foreign currency translation account	54.44	12.13
Foreign exchange fluctuation	(11.03)	(3.56)
Interest expense	1,020.68	945.20
Dividend Income	(72.83)	(28.48)
Interest Income	(46.79)	(219.38)
Rental Income	-	(1.63)
Profit on sale of investment	(1.14)	(259.81)
Operating profit before working capital changes	4,578.20	4,128.42
Adjustment for:		
Inventories	220.61	(397.92)
Trade receivables	4,444.09	(15,881.56)
Loans and advances	(8,339.41)	(5,700.56)
Change in investments	(1,281.34)	588.10
Current liabilities & provisions	(1,614.38)	7,084.98
Other current assets	(531.89)	(425.78)
Cash generated/(used) from operating activities	(2,524.12)	(10,604.32)
Direct taxes paid (net)	(1,176.28)	(913.25)
Net cash generated/(used) from operating activities (A)	(3,700.40)	(11,517.57)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	41.78	315.07
Dividend received	72.83	28.48
Rent received	-	1.63
Purchase of fixed assets	(38.82)	(9.37)
Sale of fixed assets	0.95	0.08
Sale/(Purchase) of investments in associates	(180.45)	(202.50)
Sale/ (Purchase) of investments (net)	(827.85)	2,893.23
Decrease/(Increase) in term deposits	-	2,967.10
Net cash generated/ (used) in investing activities (B)	(931.56)	5,993.72
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of additional Shares (including share premium net of expense)	18.53	-
Payment of sale of equity shares of Macquarie India Holdings Ltd	-	(807.76)
Equity shares application money refundable	(0.05)	-
Payment of share application money	-	(13.69)
Issue expenses paid	-	(93.06)
Proceeds from long term borrowings	2,890.42	3,501.32

Repayments of long term borrowings	(400.14)	(1,977.49)
Proceeds/(repayment) from/ to short term borrowings	5,586.99	281.00
Interest paid	(1,057.68)	(1,049.58)
Dividend paid (including dividend tax)	(514.24)	(514.27)
Cash flow generated/(used) from financing activities (C)	6,523.83	(673.53)
Net increase/ (use) in cash and cash equivalents (A+B+C)	1,891.87	(6,197.38)
Cash and cash equivalents (opening balance)	2,712.16	8,909.54
Cash and cash equivalents (closing balance)	4,604.03	2,712.16

Notes:

1. Cash and cash equivalents include

Cash on hand (including foreign currency)	23.49	0.19
Current accounts	866.57	436.92
Term deposits (original maturity period upto 3 months)	3,689.96	2,274.82

In earmarked accounts:

- unclaimed share application money lying at escrow account	0.18	0.23
- Unclaimed interest accrued on debentures	23.83	-

Cash and cash equivalents at the year end (a) **4,604.03** **2,712.16**

Other bank balances

-Dividend accounts **6.53** **6.18**

Other bank balances at the year end (b) **6.53** **6.18**

Cash and bank balances at the year end (a)+(b) **4,610.56** **2,718.34**

- Cash and bank balances include term deposits of ` 23.51 mn (Previous year ` 1,023.51 mn) which have been pledged as margin money against bank guarantee, short-term borrowing and letter of credit.
- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Companies (Accounting Standards) Rules, 2006.
- Figures in bracket indicate cash outflow.
- Previous year's figures have been rearranged/regrouped/reclassified wherever necessary.

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note No. 1 Summary of significant accounting policies

1 Group Companies

The consolidated financial statements relate to PTC India Limited (The Company) and its subsidiaries, associates and joint venture, all incorporated in India (The Group). The subsidiaries, associates and joint venture considered in the consolidated financial statements are as under:

Sr. No.	Name of Company	Relationship	Percentage of ownership interest		Share of Associates Profit / (Loss) included in Consolidated Profit and Loss Account (` in mn)	
			As on 31.03.2013	As on 31.03.2012	As on 31.03.2013	As on 31.03.2012
1	PTC India Financial Services Limited (PFS)	Subsidiary	60.00%	60.00%	NA	NA
2	PTC Energy Ltd (PEL)	Subsidiary	100%	100%	NA	NA
3	Ashmore PTC India Energy Infrastructure Advisors Private Limited*	Joint Venture	40%	40%	NA	NA
4	Ashmore PTC India Energy Infrastructure Trustee Private Limited*	Joint Venture	40%	40%	NA	NA
5	Barak Power Private Limited (Liquidated on October 11, 2011)	Joint Venture	NA	NA	NA	NA
6	Athena Energy Ventures Private Limited	Associate	18%	18%	0.16	(0.07)
7	Krishna Godavari Power Utilities Limited@	Associate	49.00%	34.65%	-	-
8	Ind-Barath Energy (Utkal) Limited @ (ceased to be an associates w.e.f. May 25, 2012)	Associate	-	20.55%	-	-
9	Ind-Barath Power Gen Com Limited (ceased to be an associates w.e.f. September 28, 2011)	Associate	-	-	-	(28.99)
10	India Energy Exchange Limited (ceased to be an associates w.e.f. March 29, 2012)	Associate	-	-	-	77.67
11	PTC Bermaco Green Energy Systems Limited @	Associate	26%	26%	-	-
12	RS India Wind Energy Private Limited (formally known as R.S. India Wind Energy Limited)	Associate	37%	37%	(43.81)	(44.08)
13	Varam Bio Energy Private Limited	Associate	26%	26%	-	(3.51)
14	RS India Global Energy Limited	Associate	48%	48%	(0.65)	(2.40)

* The accounts of the joint ventures have been consolidated on the basis of unaudited accounts as on 31st March, 2013 as these are under liquidation.

@ Since the associates have not prepared profit and loss account, investments have been stated at their cost in the consolidated financial statements

2 Basis of preparation of Accounts

i) The consolidated financial statements of the group are prepared under the

historical cost convention and in accordance with applicable Accounting Standards in India. The financial statements adhere to the relevant presentational requirement of the Companies Act, 1956 and other applicable laws.

- ii) The financial statements of the company and the subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balance/transactions in full as per Accounting Standard-21 on Consolidated Financial Statements.
- iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. Goodwill arising on consolidation is amortized over a period of 5 years.
- iv) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders. Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company
- v) Investments in Associate are accounted for using the equity method as per Accounting Standard-23 on Accounting for Investments in Associates in Consolidated Financial Statements. All unrealized surplus and deficit on transactions between the group companies are eliminated.
- vi) The interest in the Joint Venture Companies is accounted by using the proportionate consolidation method as per AS-27 on Financial Reporting of Interests in Joint Venture.

3 Fixed Assets

- i) Fixed Assets are stated at original cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses related to acquisition, installation and commissioning. Expenses incurred on tangible/intangible assets are carried forward as Capital Work In Progress at cost till the same are ready for use.
- ii) Depreciation is provided on Written Down Value method as per the rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956. Assets costing upto ` 5,000/- are fully depreciated in the year of capitalization
- iii) Computer software recognized as intangible asset is amortised on straight line method on pro-rata basis over a period of three years.
- iv) Capital expenditure on assets not owned by the Company is reflected as distinct item in Capital work-in-progress till the period of completion and thereafter in the Fixed Assets and is amortised over a period of 3 years.
- v) No amortization is provided for in case of leasehold land on perpetual lease. Other Leasehold land are amortised over the lease period.
- vi) Expenses directly related to construction activity or incidental thereto, are allocated to fixed assets at the time of completion of the project

4 Inventories

Inventories are valued at lower of the cost or net realizable value. The cost of the inventories is determined on first in first out (FIFO) basis.

5 Revenue

- i) Revenue from sale of power is accounted for based on rates agreed with the beneficiaries, excluding service charges wherever separately indicated in the agreement.
- ii) Service charges include transaction fee charged under the contracts of purchase and supply of power.

- iii) Revenue in the form of Management and/or Success Fee for services rendered in relation to development work of Potential Power Projects is recognised when such fee is assured and determinable under the terms of the respective contract
- iv) The surcharge on late/non-payment of dues by sundry debtors for sale of energy is not treated as accrued due to uncertainty of its realization and is, therefore, accounted for on receipt basis.
- v) Consultancy income is recognized proportionately with the degree of completion of services.
- vi) Revenue from sale of coal is recognized on transfer of all significant risks and reward to the customer and it is not unreasonable to expect ultimate collection.
- vii) Interest and other dues are accounted on accrual basis except in the case of non-performing loans where it is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI.
- viii) Dividend is accounted when the right to receive is established
- ix) Fee based incomes are recognized when reasonable right of recovery is established and the revenue can be reliably measured

6 Earnings per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

7 Prepaid and prior-period items

Prepaid and prior-period items up to ` 5000/- are accounted to natural heads of accounts.

8 Employee Benefits

i) Short Term Benefits

Employee benefits (other than post employment benefits) which fall due wholly within twelve months after the end of the period in which the employees render the related service are recognized at the amount expected to be paid for it.

ii) Post Employment Benefits

Defined contribution plans

Liability in respect of defined contribution plans are accounted for to the extent of contributions paid/payable to the separate entity/trust/fund.

Defined Benefit plan

- a) Liability in respect of defined benefit plans is accounted for on actuarial valuation basis at the year/period end.
- b) Actuarial gains and losses are recognized in the profit and loss account in the year of its occurrence.
- c) Liability in respect of gratuity, leave encashment and provident fund of employees on deputation with the group are accounted for on the basis of terms and conditions of deputation of the parent organizations.

9 Foreign Exchange

Initial recognition

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

Measurement of foreign currency monetary items at the Balance Sheet date

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

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss. The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are amortised on settlement / over the maturity period thereof. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

Accounting of forward contracts

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

10 Derivative contracts

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

11 Employee Stock option based compensation

The excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of the options given to employees under the employee stock option plan is recognize as deferred stock compensation cost and amortized over the vesting period, on a straight line basis.

12 Investments

- i) Long term investments are carried at cost less provision, if any, for permanent diminution in the value of such investments. Short term investments are carried at lower of cost or fair value.
- ii) Securities held as stock for trade are valued at lower of cost or market value.
- iii) Equity stock futures are recognized at the end of the year/period in the books to the extent of initial/Mark to Market margin paid/received. Equity stock futures are carried at cost where they are used as an instrument for hedging and independent open positions of Equity stock futures are being carried at lower of cost or fair value.
- iv) Equity index/stock options are recognized at the end of the year/period in the books to the extent of premium paid. Equity index/stock options are carried at cost where they are used as an instrument for hedging and independent open positions of Equity index/stock options are being carried at lower of cost or fair value.

13 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes forming part of the consolidated financial statements. Contingent assets are not recognised in the financial statements. Contingent provision against standard assets represents a general provision at 0.50% of the outstanding standard assets in accordance with the RBI guidelines.



14 Income Tax

Provision for current tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

15 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

16 Cash flow statement

Cash flows are reported using the indirect method set out in Accounting Standard-3 'Cash flow statement' notified under Companies (Accounting Standard) Rules, 2006 under section 211(3C) of the Companies Act, 1956, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

17 Leases

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss.

18 Use of Estimates

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

Note No. 2 - SHARE CAPITAL

a) Share capital

Particulars	As at 31.03.2013	As at 31.03.2012
	in mn	in mn
Authorised 750,000,000 (previous year 750,000,000) equity shares of ₹ 10/- each	7,500.00	7,500.00
Shares issued, subscribed and fully paid up 296,008,321 (previous year 294,973,571) equity shares of ₹ 10/- each	2,960.08	2,949.74

b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year is as under:-

Particulars	Shares (Nos.)	
	For the year ended 31.03.2013	For the year ended 31.03.2012
Equity shares outstanding at the beginning of the year	294,973,571	294,973,571
Equity shares issued during the year	1,034,750	-
Equity shares outstanding at the end of the year	296,008,321	294,973,571

c) During the year, 1,034,750 equity shares of ₹ 10/- each were issued under the Company's Employee Stock Option Scheme.

d) The Company has only one class of equity shares having a face value of ₹ 10 each. Each shareholder of equity share is entitled to one vote per share.

e) Shareholders holding more than 5% shares of the Company*

Name of the shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of shares	%	No. of shares	%
Life Insurance Corporation of India Limited	52,819,312	17.84%	53,153,112	18.02%
HDFC Standard Life Insurance Company Limited	19,799,291	6.69%	-	-
Reliance Capital Trustee Company Limited	15,071,917	5.09%	18,271,917	6.19%

* inclusive of shares held by shareholders through various schemes/its various folios

f) Shares reserved for issue

Particulars	As at 31.03.2013	As at 31.03.2012
Equity shares for Employee stock options (ESOP)* (Nos.)	732,805	1,867,505

*for terms of ESOP, refer note no. 25

Note No. 3 - RESERVES AND SURPLUS

(in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
(i) Securities premium account		
Opening balance	17,078.32	17,005.74
-Transferred from ESOP Outstanding A/c on exercise of ESOP	70.18	-
-Received on exercise of ESOP	8.19	-
Share of securities premium of associate company on issue of equity shares	-	72.58
Sub total (i)	17,156.69	17,078.32
(ii) Capital Reserve on Consolidation		
Balance brought forward	80.80	80.92
Less: Share of capital reserve in associate company	-	(0.12)
Sub total (ii)	80.80	80.80
(iii) Share option outstanding account		
Opening balance	97.11	109.25
Add: Deduction during the year	(72.45)	(12.14)
Closing balance	24.66	97.11
Less: Deferred employee compensation	(0.71)	(7.46)
Sub total (iii)	23.95	89.65

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
(iv) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1934)		
Opening balance	450.20	142.11
Additions during the year	208.31	308.09
Sub total (iv)	658.51	450.20
(v) Special Reserve		
Opening balance	-	-
Additions during the year	200.00	-
Sub total (v)	200.00	-
(vi) General reserve		
Opening balance	1,907.53	1,546.43
Additions during the year	386.23	361.10
Sub total (vi)	2,293.76	1,907.53
(vii) Contingency reserve		
Opening balance	10.47	10.47
Sub total (vii)	10.47	10.47
(viii) Surplus being balance in consolidated statement of profit & loss		
Opening balance	2,490.20	1,630.84
Adjustment on consolidation	-	1.57
Addition: Profit for the year	1,982.83	2,041.22
Deductions during the year:		
(a) Proposed dividend	(473.61)	(442.46)
(b) Transferred to statutory reserve	(208.31)	(308.09)
(c) Transferred to special reserve	(200.00)	-
(d) Dividend tax on proposed dividend	(103.42)	(71.78)
(e) Transferred to general reserve	(386.23)	(361.10)
Sub total (viii)	3,101.46	2,490.20
(ix) Foreign currency monetary items translation difference account		
Opening balance (Debit)	(52.14)	-
Add: Effect of foreign exchange rate variations during the year (net)	(123.27)	(58.91)
Add: Amortisation for the year	32.66	6.77
Sub total (ix)	(142.75)	(52.14)
Grand Total (i) +(ii)+(iii) +(iv) +(v)+(vi)+(vii)+(viii)+(ix)	23,382.89	22,055.03

Note No. 4 – Long-term borrowings

(` in mn)

Secured	As at 31.03.2013			As at 31.03.2012		
	Non-current	Current	Total	Non-current	Current	Total
Infrastructure bonds (1)	2,016.91	-	2,016.91	2,016.91	-	2,016.91
Debentures (2)	1,233.33	333.33	1,566.66	1,566.66	333.34	1,900.00
Rupee term loans from banks (3)	2,108.76	130.86	2,239.62	1,960.22	108.60	2,068.82
External commercial borrowings from financial institution (4)	4,097.57	79.39	4,176.96	1,335.88	-	1,335.88
	9,456.57	543.58	10,000.15	6,879.67	441.94	7,321.61

(` in mn)

Secured	As at 31.03.2013			As at 31.03.2012		
	Non-current	Current	Total	Non-current	Current	Total
Amount disclosed under the head "Other current liabilities" (refer note 9)	-	543.58	543.58	-	441.94	441.94
	9,456.57	-	9,456.57	6,879.67	-	6,879.67

Notes:

Details of terms of repayment and security provided on above:

1 84,172 (previous year 84,172) privately placed 8.25% / 8.30% secured redeemable non-convertible long-term infrastructure bonds of ` 5,000 each (Series 1) amounting to ` 420.86 mn allotted on March 31, 2011 redeemable at par in 5 to 10 years commencing from March 30, 2016 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds issue and other unencumbered receivables of the Company to provide 100% security coverage.

319,210 (previous year 319,210) privately placed 8.93% / 9.15% secured redeemable non-convertible long-term infrastructure bonds of ` 5,000 each (Series 2) amounting to ` 1596.05 mn allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 are secured by way of Pari Passu charge on the receivables of the assets created from the proceeds of infrastructure bonds and other receivables of the Company to provide the 100% security coverage.

2 1,000 (previous year 1,000) privately placed 10.60% secured redeemable non-convertible debentures of ` 1,000,000 each (Series 1) amounting to ` 1000.00 mn were allotted on October 1, 2009 and are redeemable at par in three equal annual installments commencing from September 30, 2012. The first installment of ` 333.33 mn has been paid during the year.

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

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

3 Term loans from banks carries interest ranging from 10.75% to 11.50% p.a. The loans are repayable in 48 equal quarterly installments. The loans are secured by first pari-passu charge by way of hypothecation of the current assets including book debts, investments and other receivables (other than assets created by line of credit of other financial institutions / banks). Additionally, the loans are backed by an agreement of assignment of the project assets financed from proceeds of the loans, in favour of respective lenders.

4 External Commercial Borrowings ("ECB") carries interest ranging from 3 months LIBOR+2.85% to LIBOR+3.25% p.a. The loans are repayable in 36 equal quarterly installments 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.



Note No. 5 – DEFERRED TAX LIABILITIES (NET)

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
(a) Deferred tax liability on account of timing differences in:-		
Depreciation	95.59	151.66
Foreign currency monetary items translation difference account	80.86	28.19
Special reserve under section 36(1)(viii) of Income Tax Act, 1961	67.98	-
Sub-total (a)	244.43	179.85
(b) Deferred tax asset arising on account of timing differences in:-		
Retirement benefits and other expenses	8.53	10.25
Preliminary expenses	-	1.33
Share issue expenses	14.52	20.79
Contingent provision against standard asset	39.33	20.79
Expenses not allowable for income tax in current year	64.77	5.45
Provision for diminution in non-current unquoted trade investment	17.23	9.50
Sub-Total (b)	144.38	68.11
Net deferred tax liabilities (a-b)	100.05	111.74

Note No. 6 – LONG TERM PROVISIONS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Provision for employee benefits	23.08	25.81
Contingent provision against standard assets (refer note i below)	115.72	64.08
Total	138.80	89.89

Notes:

i Movement in contingent provision against standard assets during the year is as under:

Opening balance	64.08	17.78
Additions during the year	51.64	46.30
Closing balance	115.72	64.08

Note No. 7 – SHORT TERM BORROWINGS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Secured	-	-
Term loans from banks (refer note i below)	5,867.99	281.00
Total	5,867.99	281.00

i Term loans from banks includes loans of ` 5867.99 mn (previous year ` NIL) which are secured by pari-passu charge over current assets including

book debts/Investments other than assets created by line of credit of other financial institutions/banks. Term loans from bank includes overdraft of ` Nil (previous year ` 281.00 mn) which are secured by way of pledge of fixed deposits with the concerned bank.

Note No. 8 – TRADE PAYABLES

a) Trade payables

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Trade payables – micro & small enterprises	-	-
Trade payables – others	11,027.94	12,656.49
Total	11,027.94	12,656.49

b) Based on the information available with the Group, there are no dues as at March 31, 2013 payable to enterprises covered under “Micro Small and Medium Enterprises Development Act, 2006”. As such, no interest is paid/payable by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

Note No. 9 – OTHER CURRENT LIABILITIES

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Advances from customers	269.12	266.21
Security deposits received	64.60	63.15
Unpaid/ unclaimed dividend	6.53	6.18
Current maturities of long term borrowings (refer note 4)	543.58	441.94
Unclaimed interest accrued on debentures	23.83	-
Unclaimed equity share application money	0.18	0.23
Statutory liabilities	29.39	25.80
Interest accrued but not due	270.43	122.15
Provision for expenses	0.92	0.34
Income received in advance	4.91	7.53
Payables on purchase of fixed assets	0.32	-
Other payables-employees	7.57	7.43
Total	1,221.38	940.96

Note No. 10 – SHORT TERM PROVISIONS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Proposed dividend-equity shares	563.54	442.46
Dividend distribution tax on proposed dividend	118.70	71.78
Provision for employee benefits	3.53	7.43
Total	685.77	521.67



Note No. 11 – FIXED ASSETS-TANGIBLE ASSETS

(` in mn)

Description	Gross Block-Cost/Book Value				Depreciation/Amortisation				Net block	
	As at 01.04.2012	Additions	Sales/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Adjustments	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS										
Land										
-Leasehold land - perpetual Lease	34.43	-	-	34.43	-	-	-	-	34.43	34.43
-Leasehold land - others	1.26	-	-	1.26	0.24	0.06	-	0.30	0.96	1.02
Buildings	150.36	-	-	150.36	60.71	4.48	-	65.19	85.17	89.65
Furniture and fixtures	20.78	8.49	(2.24)	27.03	16.09	1.21	(1.39)	15.91	11.12	4.69
Vehicle	10.50	0.16	(1.86)	8.80	4.39	1.50	(1.37)	4.52	4.28	6.11
Plant and machinery	707.02	-	-	707.02	259.80	65.80	-	325.60	381.42	447.22
Office equipments	32.87	19.48	(2.10)	50.25	23.02	4.75	(1.17)	26.60	23.65	9.85
Capital expenditures not represented by capital asset	5.54	-	-	5.54	5.54	-	-	5.54	-	-
Total	962.76	28.13	(6.20)	984.69	369.79	77.80	(3.93)	443.66	541.03	592.97
Previous year	957.55	7.98	(2.77)	962.76	284.96	87.25	(2.42)	369.79	592.97	

Note No. 12 – FIXED ASSETS-INTANGIBLE ASSETS

(` in mn)

Description	Gross Block-Cost/Book Value				Depreciation/Amortisation				Net block	
	As at 01.04.2012	Additions	Sales/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Adjustments	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Computer software	19.24	2.88	(0.01)	22.11	11.98	5.07	-	17.05	5.06	7.26
Membership fee to power exchanges	3.00	-	-	3.00	2.90	0.10	-	3.00	-	0.10
Total	22.24	2.88	(0.01)	25.11	14.88	5.17	-	20.05	5.06	7.36
Previous year	20.96	1.39	(0.11)	22.24	10.63	4.35	(0.10)	14.88	7.36	-

The management is of the opinion that no case of impairment of assets exists under the provision of Accounting Standard (AS)-28 on Impairment.

Note No. 13 – NON CURRENT INVESTMENTS

(` in mn)

(a) Non current investments

Particulars	Face value	Quantity as at		Amount as at	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Long term trade investments - Unquoted (At cost)					
Equity shares- fully paid up					
Associate companies					
- Krishna Godavari Power Utilities Limited	10	37,548,700	19,503,493	375.48	195.03
- Athena Energy Ventures Private Limited	10	150,000,000	150,000,000	1,558.54	1,558.38
- RS India Global Energy Limited	10	23,402,542	23,402,542	229.04	229.69
- Ind-Barath Energy (Utkal) Limited	10	-	105,000,000	-	1,050.00
- PTC Bermaco Green Energy Systems Limited	10	1,374,646	1,374,646	13.14	13.14
- RS India Wind Energy Private Limited (formally known as R.S. India Wind Energy Limited)	10	61,121,415	61,121,415	525.80	569.61
- Varam Bio Energy Private Limited	10	4,390,000	4,390,000	-	-

Particulars	Face value	Quantity as at		Amount as at	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Other company					
- Teetha Urja Limited	10	224,015,000	141,086,000	2,185.34	1,356.05
- Chenab Valley Power Projects Private Limited	10	100,000	100,000	1.00	1.00
- Ind-Barath Energy (Utkal) Limited (ceased to be an associate w.e.f. May 25, 2012)	10	105,000,000	-	1,050.00	-
- East Coast Energy Private Limited	10	133,385,343	133,385,343	1,333.85	1,333.85
- Meenakshi Energy and Infrastructure Holding P Limited (# ` 10)	10	1	1	#	#
- Meenakshi Energy Private Limited	10	124,682,340	114,417,873	1,246.82	1,144.18
- Indian Energy Exchange Limited (ceased to be an associate w.e.f. March 29, 2012)	10	1,516,431	1,516,431	15.16	15.16
Investments in fully paid up optionally convertible debentures of associates companies					
- Varam Bio Energy Private Limited	500000	90	90	42.86	42.86



(` in mn)

Particulars	Face value `	Quantity	Quantity	Amount	Amount
		as at	as at	as at	as at
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
- Mytrah Energy (India) Limited	3333333	300	-	1,000.00	-
Long term non trade investments - Quoted (At cost)					
Mutual funds					
- 'Religare FMP Series XIV 378 Days Growth	10	-	5,500,000	-	55.00
- 'Kotak FMP Series 84 Growth	10	-	6,000,000	-	60.00
				9,577.03	7,623.95
Less: Provision for diminution in value of Investments in an associate company				21.43	-
Total				9,555.60	7,623.95
Aggregate market value of quoted non current investments				-	115.00
Aggregate cost of quoted non current investments				-	115.00
Aggregate cost of unquoted non current investments				9,555.60	7,508.95

(b) The Company has pledged, in favour of Power Finance Corporation Limited (PFC), 77,77,500 Equity Shares of ` 10 each at par held by it in M/s. Krishna Godavari Power Utilities Limited (KGPUL) along with the promoter of KGPUL to comply with the lending requirements of PFC for loan taken by KGPUL.

Note No. 14 - LONG TERM LOANS AND ADVANCES

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Secured, considered good		
Loan Financing	20,603.67	10,860.83
Unsecured, considered good		
Loans and advances to employees	13.31	10.75
Capital advances	0.34	-
Interest accrued but not due	3.89	3.70
Security deposits	18.73	14.65
Advance income tax (Net of provision for income tax ` 3,813.89 mn, Previous year ` 2,760.09 mn)	172.44	57.92
Advance fringe benefit tax (net of provision for fringe benefit tax ` 7.59 mn, (Previous year ` 7.59 mn)	0.66	0.66
Prepaid expenses	0.36	0.10
Total	20,813.40	10,948.61

Note:

Loans are secured by:

- Hypothecation of assets and / or
- Mortgage of property and / or
- Trust and retention account and / or
- Bank guarantee, Company guarantee or personal guarantee and / or
- Assignment of receivables or rights and / or
- Pledge of shares and / or
- Undertaking to create a security

Note No. 15 - OTHER NON CURRENT ASSETS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Premium on derivative contracts	325.88	133.91
Total	325.88	133.91

Note No. 16 - CURRENT INVESTMENTS

(` in mn)

Particulars	Face value `	Quantity	Quantity	Amount	Amount
		as at	as at	as at	as at
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Current maturities of long term non trade investments - Quoted (At cost)					
Mutual funds					
- 'Religare FMP Series XIV 378 Days Growth	10	5,500,000	-	55.00	-
- 'Kotak FMP Series 84 Growth	10	6,000,000	-	60.00	-
Short term investment- non trade (Unquoted) (At cost)					
Mutual funds					
- Reliance liquid fund	1000	52,615	-	149.94	-
(Repurchase price ` 150.37 mn (previous year ` Nil)					
- Franklin Templeton Money Plus Account	10	11,980	40,759	0.12	0.41
Total				265.06	0.41
Aggregate market value of quoted current investments				126.44	-
Aggregate cost of quoted current investments				115.00	-
Aggregate cost of unquoted current investments				150.06	0.41

Note No. 17 - INVENTORIES

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Raw material-Coal*	170.36	397.93
Raw material-Coal in transit*	6.96	-
Total	177.32	397.93

*Valued at lower of cost or net realizable value

Note No. 18 - TRADE RECEIVABLES

a) Trade receivables

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Trade receivables outstanding for a period exceeding six months from the date they become payable		
- Secured, considered good	-	-
- Unsecured, considered good	14,252.76	13,593.88
Other Trade receivables		
- Secured, considered good	-	-
- Unsecured, considered good	7,184.66	12,287.75
Total	21,437.42	25,881.63

- Trade receivables are hypothecated to the banks for availing the non- fund based working capital facilities.
- Trade receivables include an amount of ` 162.30 mn due from Tamil Nadu Electricity Board (TNEB) towards compensation claim. The Company considers the said amount as good and recoverable even though TNEB has not accepted the claim of the Company. The matter has been referred to the Madras High Court which has appointed a sole arbitrator in this respect.

Note No. 19 – CASH AND BANK BALANCES
Cash and bank balances

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Cash and cash equivalents:-		
Cash on hand (including foreign currency)	0.14	0.19
Cheques/ draft on hand	23.35	-
Balance with banks:-		
a) Current accounts	866.57	436.92
b) Term deposits (refer notes i to iii below)	3,689.96	2,274.82
c) In earmarked accounts		
- unclaimed share application money lying in escrow account	0.18	0.23
-Unclaimed interest accrued on debentures	23.83	-
Sub total (i)	4,604.03	2,712.16
Other bank balances:-		
Dividend accounts	6.53	6.18
Sub total (ii)	6.53	6.18
Grand Total (i) +(ii)	4,610.56	2,718.34

Notes:

- Balances with banks include deposits amounting to ` 78.52 mn (previous year ` 70.80 mn) which have an original maturity of more than 12 months
- Includes ` 23.51 mn (previous year ` 23.51 mn) deposits as margin money against bank guarantee.
- Includes ` NIL (previous year ` 1000 mn) pledged against short-term borrowing.

Note No. 20 – SHORT TERM LOANS AND ADVANCES
a) Short term loans and advances

Particulars	(` in mn)	
	As at 31.03.2013	As at 31.03.2012
Secured, considered good		
Loans financing	350.00	1,350.00
Sub Total (i)	350.00	1,350.00
Unsecured, considered good		
Loan and advances to related parties:-		
(i) Associate Company		
-Krishna Godavari Power Utilities Limited (Advance against investment)	-	180.50
Employees loans and advances	5.05	4.64
Security deposit	177.69	182.32
Prepaid expenses	12.12	5.36
Advance for equity subscription	28.76	-
Open access advances	151.12	341.59
Service tax credit	9.83	3.66
Advance to trade payables	52.84	95.43
Other advances/ receivables	9.44	14.95
Sub Total (ii)	446.85	828.45
Grand Total (i) +(ii)	796.85	2,178.45

- Loans and advances due from directors-NIL.

Note No. 21 – OTHER CURRENT ASSETS

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Secured, considered good		
Current maturities of long term loan financing	962.92	450.20
Sub total (i)	962.92	450.20
Unsecured, considered good		
a) Interest accrued and due on		
- Loan financing	74.72	34.11
b) Interest accrued but not due on:		
- Fixed deposits	29.32	84.72
- Debentures	5.03	-
- Loan financing	103.58	69.81
- Others	0.17	0.18
Sub total (ii)	212.82	188.82
Grand Total (i) +(ii)	1,175.74	639.02

Note No. 22 – REVENUE FROM OPERATIONS

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Sale of electricity	87,466.47	75,421.59
Sale of coal	562.44	1,222.63
Rebate on purchase of power	879.95	778.59
Service charges	139.56	79.65
Surcharge on sale of power	125.32	271.91
Interest income from		
(i) Loan financing	2,430.31	1,323.65
(ii) Debentures	82.85	5.90
Other operating income		
(i) Dividend income on:		
- Non-current unquoted trade investment		
Equity shares	3.03	-
(ii) Profit on sale of Investment in non-current unquoted trade investment		
- Equity shares	-	1,071.69
(iii) Profit on sale of investments in non-current quoted non-trade investment		
- Equity shares	-	4.55
(iv) Profit on sale of investments in current unquoted non- trade investment		
- Mutual funds	19.04	63.96
(v) Fixed deposits	89.12	196.38
(vi) Fee based income	189.57	99.09
(vii) Sale of services (Consultancy)	6.27	1.18
(viii) Sale of certified emission reduction units	-	46.27
Total	91,993.93	80,587.04



Note No. 23 – OTHER INCOME

Particulars	(` in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Interest income	46.79	219.38
Dividend		
– from current investments–non trade	72.83	28.48
Profit from sale of investment		
– on current investments–non trade (net)	1.14	11.61
– on long term investments–non trade (net)	–	248.20
Rental Income	–	1.63
Excess provision written back	2.32	0.21
Foreign currency fluctuation (net)	11.03	3.56
Miscellaneous income	3.08	2.11
Total	137.19	515.18

Note No. 24 – FUEL COST

Particulars	(` in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Opening stock	397.92	–
Purchases	2,404.84	458.72
Fuel Oil Charges	26.04	–
Less: Consumed by project developer with whom power tolling agreement made.	(143.33)	(60.80)
Add: Stock replaced by project developer with whom power tolling agreement made.	204.13	–
Less: Closing stock	(177.32)	(397.92)
Total	2,712.28	–

Note No. 25 – EMPLOYEE BENEFITS EXPENSE

a) Employee benefits expense

Particulars	(` in mn)	
	Year ended 31.03.2013	Year ended 31.03.2012
Salaries and wages	159.37	132.18
Contribution to provident fund	7.79	6.57
Gratuity	3.26	2.55
Staff welfare expenses	26.83	20.08
Employee compensation expense (ESOP)	4.94	12.18
Total	202.19	173.56

b) The Details of the Employee Stock Options Scheme (ESOP) is given as under:

i) Particulars of scheme

Date of grant	21–Aug–2008, 22–July–2009
Date of board approval	21–Aug–2008
Date of shareholders' approval	06–Aug–2008
Number of options granted	6,254,023
Method of settlement	Equity
Vesting period	1 to 4 years
Exercise period	5 years from the date of first vesting
Vesting conditions	Employee's continued employment during vesting period (as per clause 10 of the Plan) with the Company or group.

ii) Details of vesting:

Vesting period from the grant date	Vesting schedule
On completion of 1st year	15%
On completion of 2nd year	15%
On completion of 3rd year	30%
On completion of 4th year	40%

iii) The details of activity under the plan have been summarized below:-

Particulars	As at 31.03.2013		As at 31.03.2012	
	Number of shares (Nos)	Weighted average exercise price (`)	Number of shares (Nos)	Weighted average exercise price (`)
Outstanding at the beginning of the year	1,867,505	36.49	2,102,839	36.25
Forfeited/ surrendered during the year	99,950	64.20	235,334	34.34
Exercised during the year	1,034,750	17.93	–	–
Outstanding at the end of the year	732,805	58.93	1,867,505	36.49
Exercisable at the end of the year	470,131	55.99	738,072	28.61
Weighted average remaining contractual life (in years)	2.12	–	2.73	–

iv) The details of exercise price for stock options outstanding at the end of the year are as given:-

Particulars	As at 31.03.2013	As at 31.03.2012
Range of exercise prices (`)	10 to 64.20	10 to 64.20
Number of options outstanding	732,805	1,867,505
Weighted average remaining contractual life of options (in years)	2.12	2.73
Weighted average exercise price (`)	58.93	36.49

v) **Effect of ESOP scheme on profit & loss and financial position:-**

a) Effect on profit & loss:-

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Employee compensation cost pertaining to ESOP Plan during the year	3.79	9.92

b) Effect on financial position:-

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Liability for employee stock options outstanding as at the year end	19.55	91.87
Deferred compensation cost outstanding as at the year end	0.43	6.35

- (vi) The fair value of each stock option issued in the year 2009-10 and 2008-09 has been estimated using Black Scholes Options Pricing model after applying the following key assumptions (weighted value):

Particulars	Options granted in the year 2009-10	Options granted in the year 2008-09
Price per option (₹)		
Volatility	52.04%	67.53%
Expected dividend	1.47%	1.23%
Risk free rate of interest	6.80%	9.10%
Option life (years)	6	6
The price of underlying share in the market	81.90	81.36
Fair value per option	46.45	66.18

- c) The Subsidiary company (PFS) instituted the Employee Stock Option Plan - ESOP 2008 to grant equity based incentives to all its eligible employees. During the year ended March 31, 2009, the first tranche of ESOP 2008 was approved by the shareholders on October 27, 2008 and the Company granted two types of options i.e. Growth options granted to the employees and exercisable at intrinsic value as on the date of grant as certified by an independent valuer and Founder Member Options exercisable at face value of shares i.e. ₹ 10 per share, representing one share for each option upon exercise. Further, during the year ended March 31, 2010, second tranche of ESOP 2008 was approved by the shareholders on October 23, 2009 and provided for grant of 10,075,000 growth options exercisable at a price of ₹ 16 per share, representing one share for each option upon exercise. Options granted under ESOP 2008 would vest not less than one year and not more than five years from the date of grant of such options.

Movement in Stock Options	As at 31.03.2013		As at 31.03.2012	
	Growth options	Founder member options	Growth options	Founder member options
Outstanding at the beginning of the year	4,382,600	10,000	4,447,100	10,000
Less: Forfeited during the year	45,000.00	-	64,500	-
Outstanding as at the end of the year	4,337,600	10,000	4,382,600	10,000

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

Particulars	Options granted during the year ended March 31, 2010	Options granted during the year ended March 31, 2009	
	Growth options	Growth options	Founder member option
Price per Option (in ₹)	16	16	10
Volatility	29.64%	73.60%	73.60%
Risk free rate of interest	7.27%	7.00%	7.00%
Option life (in years)	5	5	5
Fair Value per Option	10.55	11.36	12.76

There is no history of dividend declaration by PFS, hence the dividend yield has been assumed as Nil.

- d) Impact of above ESOP schemes on reported profit and earnings per share, if the employee compensation cost would have been computed using the fair value method:-

- i) Reported profit

(₹ in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Profit as reported for the year	1,982.83	2,041.22
Add: Employee stock compensation under intrinsic value method	4.94	12.18
Less: Employee stock compensation under fair value method	11.79	27.28
Pro forma profit	1,975.97	2,026.12

- ii) Earnings per share (₹)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Basic		
- As reported	6.71	6.92
- As pro forma	6.69	6.87
Diluted		
- As reported	6.71	6.90
- As pro forma	6.69	6.85

- e) The disclosures as required by AS-15 (Revised) on Employees Benefits are as under:

- i) The amounts recognized in the balance sheet are as follows:

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation	20.31	24.28	2.92	0.75	11.00	10.82
Fair value of plan assets	-	-	-	-	7.62	2.60
Net asset / (liability) recognized in Balance Sheet	(20.31)	(24.28)	(2.92)	(0.75)	(3.38)	(8.22)

- ii) Changes in the present value of obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at the beginning of the year	24.28	24.34	0.75	0.74	10.82	9.93
Interest cost	1.94	2.07	0.06	0.06	0.87	0.85
Current service cost	3.16	3.41	0.54	-	1.87	1.64
Benefits paid	(7.48)	(2.84)	(0.10)	(0.08)	(3.49)	(1.97)
Actuarial (gain)/loss on obligation	(1.59)	(2.70)	1.67	0.03	0.93	0.37
Present value of obligation as at the end of year	20.31	24.28	2.92	0.75	11.00	10.82



iii) Changes in the fair value of plan assets are as follows:

(₹ in mn)

Particulars	Gratuity (Funded) As at 31.03.2013	Gratuity (Funded) As at 31.03.2012
Fair value of plan assets as at the beginning of the year	2.60	4.26
Expected return on plan assets	0.21	0.34
Actuarial gain/(loss) on obligation	0.20	(0.03)
Contributions	8.10	-
Benefits paid	(3.49)	(1.97)
Fair value of plan assets as at the end of the year	7.62	2.60

iv) Percentage of each category of plan assets to total fair value of plan assets as at the end of the year:-

(₹ in mn)

Particulars	Gratuity (Funded) As at 31.03.2013	Gratuity (Funded) As at 31.03.2012
Administered by ICICI Prudential Life Insurance	85.97%	98.68%
Bank balance	14.03%	1.32%

v) The amounts recognized in the statement of profit and loss for the year are as follows:-

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Current service cost	3.16	3.41	0.54	-	1.87	1.64
Interest cost	1.94	2.07	0.06	0.06	0.87	0.85
Expected return on plan assets	-	-	-	-	(0.21)	(0.34)
Net actuarial (gain)/loss recognized in the year	(1.59)	(2.70)	1.67	0.03	0.73	0.40
Expenses recognized in the statement of profit and loss	3.51	2.78	2.27	0.09	3.26	2.55

The Group expects to contribute ` 2.90 mn to gratuity, ` 0.08mn to Post Employment Medical benefit and ` 4.22 mn to leave encashment in 2013-14.

vi) Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under post retirement medical benefits scheme.

(₹ in mn)

Sr. No.	Particulars	One percent point increase in medical inflation rate	One percent point decrease in medical inflation rate
I	Increase/(decrease) on aggregate service and interest cost of post retirement medical benefits	0.09	(0.07)
II	Increase/(decrease) on present value of defined benefit obligations as at 31 March, 2013	0.63	(0.48)

vii) Economic Assumption:

The principal assumptions are the discount rate and salary increase. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of the liabilities and the salary increase takes.

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Discounting rate	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
Future salary increase	5.50%	6.00%	5.50%	6.00%	5.50%	6.00%
Expected Rate of return on plan assets	N. A.	N. A.	N. A.	N. A.	8.00%	8.00%
Expected average remaining working lives of employees in number of years	24.01 to 28.53	23.36 to 27.07	24.01 to 28.53	N.A.	24.01 to 28.53	23.36 to 27.07

viii) Experience on actuarial gain/ (loss) for benefit obligations and plan assets:

(₹ in mn)

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Experience adjustments on present value of gratuity obligation	(0.89)	(0.70)	(3.71)	0.06
Experience adjustments on plan assets of gratuity	0.20	(0.04)	(0.05)	0.01
Experience adjustments on present value of leave encashment obligation	1.70	2.55	(5.63)	1.37

ix) Demographic assumptions

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Mortality table	IALM (1994-96) duly modified	LIC (1994-96) duly modified	IALM (1994-96) duly modified	LIC (1994-96) duly modified	IALM (1994-96) duly modified	LIC (1994-96) duly modified
Ages	Withdrawal rates					
upto 30 years	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
from 31 to 44 years	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(x) Details of expenses incurred for defined contribution plans during the year:

(₹ in mn)

Defined contribution plans	Year ended 31.03.2013	Year ended 31.03.2012
Provident fund	7.79	6.57

Note No. 26 – FINANCE COSTS

a) Finance cost

(` in mn)		
Particulars	Year ended 31.03.2013	Year ended 31.03.2012
a) Interest cost on:		
- Infrastructure bonds	179.60	45.85
- Interest expense on short term loans	-	250.38
- Debentures	182.35	279.95
- Rupee term loans from banks	487.73	291.45
- External commercial borrowings from financial institutions	127.39	25.58
- Interest on income tax	-	0.52
- Others	9.24	9.24
b) Other borrowing cost		
- Other charges on external commercial borrowings from financial institutions	31.49	41.90
- Rupee term loans from banks	2.88	0.33
- Others	-	0.10
Total	1,020.68	945.30

b) As per Power purchase agreements entered into with the off takers of Chukha and Kurichhu power projects (Bhutan), the interest earned on the term deposits made with commercial banks for the payments received on behalf of these projects is passed back to them. Accordingly interest income as well as expense is accounted for in the books of account.

Note No. 27 – OTHER EXPENSES

a) Other expenses

(` in mn)		
Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Rent	9.10	1.35
Repairs to building	4.64	3.62
Repairs to machinery - Wind mill	14.93	14.13
Insurance	2.77	1.64
Rates and taxes	7.34	14.42
Auditors' remuneration	3.61	3.28
Provision for diminution in value of investments	21.43	-
Contingent provision against standard assets	51.64	46.30
Legal & professional charges	66.35	73.30
Consultancy expenses	21.15	31.24
Advertisement	6.83	6.86
Communication	9.26	10.64
Business development	12.18	9.20
Travelling and conveyance expenses	31.44	25.23
Printing & stationery	4.05	3.36
Fees & expenses to directors	4.80	2.43
Repair & Maintenance - Others	5.56	4.09
Bank charges	8.33	7.35
EDP expenses	1.45	0.87
Books & periodicals	0.25	0.33
Water & electricity expenses	4.88	4.05
Investment written off	-	0.52
Commission and brokerage	3.22	48.01

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Loss on foreign currency translation	54.44	12.13
Security expenses	1.64	1.40
Property tax	0.60	0.60
Other general expenses	68.09	29.64
Charity & donation	0.75	1.30
Total	420.73	357.29

b) The Group has taken a warehouse/ office premise on operating lease. The disclosures as per AS-19 are given as under:-

a) ` 8.04 mn has been debited to the statement of profit and loss (Previous year ` 0.66 mn).

b) Details of future lease payments

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Year up to 1 year	29.93	0.61
Years later than 1 year and not later than 5 years	123.43	NIL
Years later than 5 years	NIL	NIL

Note No. 28 – EXCEPTIONAL ITEMS

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Loss on sale of fixed assets (net)	(1.33)	(0.28)
Excess provision written back	1.41	2.94
Total	0.08	2.66

Note No. 29 – PRIOR PERIOD ITEMS

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Legal & professional charges	0.24	-
Rent	-	1.22
Application fee	(17.04)	-
Others	(0.10)	-
Total	(16.90)	1.22

Note No 30 – EARNINGS PER EQUITY SHARE

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Opening equity shares (Nos. in mn)	294.97	294.97
Equity shares issued during the year (Nos. in mn)	1.03	-
Closing equity shares (Nos. in mn)	296.00	294.97
Weighted average number of equity shares used as denominator for basic earnings (Nos. in mn)	295.44	294.97
Weighted average number of equity shares used as denominator for diluted earnings (Nos. in mn)	295.55	295.66
Net profit after tax used as numerator (Amount in ` mn)	1,982.83	2,041.22
Basic earnings per share (Amount in `)	6.71	6.92
Diluted earnings per share (Amount in `)	6.71	6.90
Face value per share (Amount in `)	10.00	10.00



Note No. 31 – OTHER INFORMATION

- (a) The group is primarily in the business of power and investment. Trading of coal and Consultancy income have not been reported separately as the same being insignificant.
- (b) The group is organized into following reportable segments referred to in Accounting Standard (AS-17) "Segment Reporting":

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Segment revenue		
Power trading	88,627.64	76,556.80
Investment	2,815.42	2,811.68
Unallocated	689.47	1,736.68
Revenue from operations	92,132.53	81,105.16

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Segment profit/(loss) before tax		
Power trading	1,702.48	1,428.71
Investment	1,565.54	1,864.30
Unallocated	208.27	243.21
Total profit before tax	3,476.29	3,536.22
Less: Tax Expenses	1,050.05	942.06
Profit after tax	2,426.24	2,594.16
Add: Profit/(loss) of associates	(44.30)	(1.38)
Less: Minority interest	(399.11)	(551.56)
Net profit after tax	1,982.83	2,041.22

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Segment assets		
Power trading	23,323.79	26,940.86
Investment	28,582.47	18,998.17
Unallocated	7,805.47	5,183.55
Total assets	59,711.73	51,122.58

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Segment liabilities		
Power trading	11,024.96	12,960.14
Investment	16,323.02	7,872.87
Unallocated	1,150.52	648.41
Total liabilities	28,498.50	21,481.42

(` in mn)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Capital expenditure during the Year		
Power trading	29.88	5.83
Investment	8.71	3.35
Unallocated	0.23	0.19
Total capital expenditure	38.82	9.37

(` in mn)

Depreciation/amortization during the Year	Year ended 31.03.2013	Year ended 31.03.2012
Power trading	80.75	90.35
Investment	1.91	1.01
Unallocated	0.31	0.24
Total depreciation/amortization during the Year	82.97	91.60

(` in mn)

Non cash expenses (other than depreciation /amortisation) during the year	Year ended 31.03.2013	Year ended 31.03.2012
Power trading	4.95	10.72
Investment	128.83	60.70
Total	133.78	71.42

c) Commitments:

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012
Loan Financing	1900.67	745.37
Share of estimated amount of contracts remaining to be executed on capital account and not provided for Group/ associate companies.	1215.70	3271.82
Equity subscription	524.42	655.82
Guarantees	999.39	999.39

d) Details of contingent liabilities:

i) Claims against the Group not acknowledged as debt:

(` in mn)

Particulars	As at 31.03.2013	As at 31.03.2012	Remarks
Claims of suppliers	1,285.64	1,285.64	1. Out of total claims, ` 849.50 mn pertains to claim of Himachal Pradesh State Electricity Board. The arbitrator concluded the arbitration in favour of PTC on 31.10.2008, however HPSEB has contested the award in the High Court of Himachal Pradesh. 2. Gujarat Urja Vikas Nigam Limited (GUVNL) has raised bills for compensation for an amount of ` 432.77 mn. GUVNL has filed a petition before GERC for direction of payment. In the opinion of the Company and also as per legal opinion, the said compensation is not payable and PTC has challenged the contention of GUVNL. Presently, the PTC appeal is pending before APTEL against GERC's Order.
Income tax demands	168.36	43.36	
Custom Duty	106.10	-	
Estimated management fee	3.97	-	Company share in estimated management fee of Associates Company.
Others*	18.88	37.95	
Total	1,582.95	1,366.95	

*includes ` 18.88 mn (Previous Year ` 35.35 mn) share in associates' contingent for corporate guarantee and counter guarantee.

ii) *Bank guarantees :

(` in mn)

As at 31.03.2012	As at 31.03.2011
2786.22	1160.72

*includes ` 4.90 mn (Previous Year ` 346.50 mn) share in associate's bank guarantees

- e) The Group has entered into the following related party transactions. Such parties and transactions have been identified as per Accounting Standard 18 "Related Party Disclosures" notified under Companies (Accounting Standards) Rules, 2006.

(₹ in mn)				
Name of Related Party	Influence	Nature of Transaction	Year ended 31.03.2013	Year ended 31.03.2012
NTPC Limited.	Significant Influence	Director sitting fees to nominee directors	0.30	0.16
		Conference Fee	0.02	-
Power Grid Corporation of India Limited.	Significant Influence	Meter installation charges	0.08	-
		Services received (wheeling charges)	1.36	1.54
Power Finance Corporation Limited	Significant Influence	Director sitting fees to nominee directors	0.14	0.08
		Pledging of shares (Refer note no.13 b)		
NHPC Limited	Significant Influence	Director sitting fees to nominee directors	0.22	0.14
		Electricity traded through IEX	3243.03	805.94
		Services charges (IEX) (excluding service tax of ₹ 5.47 mn, Previous year ₹ 1.24 mn)	44.30	12.08
Barak Power Private Limited (Liquidated on October 11, 2011)	Joint Venture	Equity contribution	-	0.35
		Investment written off	-	0.85
Krishna Godavari Power Utilities Limited	Associate	Share application money given to associates	-	180.50
		Equity contribution against share application money	180.45	-
Athena Energy Ventures Private Limited	Associate	Equity contribution	-	202.50
		Director sitting fees for nominee directors	0.10	0.08
		Payment of expenses by associate on behalf of the Company	0.02	0.04

(₹ in mn)				
Key Management Personnel				
Name	Position	Nature of Transaction	Year ended 31.03.2013	Year ended 31.03.2012
Mr. T.N.Thakur*	Chairman & Managing Director	Directors remuneration	10.20	11.88
		Amount received on sale of asset.	0.04	-
Mr. Deepak Amitabh**	Chairman & Managing Director	Directors remuneration	6.65	6.23
Mr. S. N. Goel***	Director	Directors remuneration	2.65	-
Mr. Ashok Haldia	Director	Directors remuneration	5.96	5.19
Mr. Pawan Singh****	Director	Directors remuneration	4.90	0.65
Mr. Arun Kumar	Director	Directors remuneration	3.90	3.34

* ceased to be director on 11 October 2012

** acted as director 15 October 2012 and appointed as CMD w.e.f. 16 October 2012

*** appointed as director on 27 September, 2012

**** appointed as director on 1 February, 2012

As per our report of even date attached
For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date : May 23, 2013

Place : New Delhi

For and on behalf of the Board of Directors

(Satyanarayan Goel)

Director

DIN 02294069

(Arun Kumar)

Executive Director & CFO

(Deepak Amitabh)

Chairman & Managing Director

DIN 01061535

(Rajiv Maheshwari)

Company Secretary

Investment balances outstanding at the balance sheet date without considering provision for diminution

(₹ in mn)

Name of the company	Relationship	As at 31.03.2013	As at 31.03.2012
Athena Energy Ventures Private Limited	Associate	1,558.54	1,558.38
Krishna Godavari Power Utilities Limited	Associate	375.48	195.03
Ind-Barath Energy (Utkal) Limited (ceased to be an associate w.e.f. May 25, 2012)	Associate	-	1,050.00
India Energy Exchange Limited (ceased to be an associate w.e.f. March 29, 2012)	Associate	-	15.16
PTC Bermaco Green Energy Systems Limited	Associate	13.14	13.14
RS India Wind Energy Private Limited (formally known as R.S. India Wind Energy Limited)	Associate	525.80	569.61
RS India Global Energy Limited	Associate	229.04	229.69

Investment in debentures at the balance sheet date without considering provision for diminution

(₹ in mn)

Name of the company	Relationship	As at 31.03.2013	As at 31.03.2012
Varam Bio Energy Private Limited	Associates	42.86	42.86

Loan Financing

(₹ in mn)

Name of the company	Relationship	As at 31.03.2013	As at 31.03.2012
Varam Bio Energy Private Limited	Associates	6.18	6.18

Balance Outstanding

(₹ in mn)

Name of the company	Relationship	Nature	As at 31.03.2013	As at 31.03.2012
NHPC Limited	Significant Influence	Balance payable	30.67	219.61
Athena Energy Ventures Private Limited	Associate	Balance recoverable / (payable)	0.01	(0.01)

- f) In accordance with the accounting policy, the surcharge recoverable on late/ non-payment of dues by sundry debtors is accounted for on receipt basis. Correspondingly surcharge liabilities on late/ non-payments to the suppliers, in view of the matching concept, is not being recognized in the accounts. The estimated liability in this regard, however is lower than the company's claims from its sundry debtors.
- g) Certain balances with parties are subject to confirmation.
- h) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.
- i) The previous year figures have been reclassified / regrouped / rearranged to conform to this year classification, wherever necessary.



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1	Name of the Company	PTC India Financial Services Limited	PTC Energy Limited
2	No. of Shares held by PTC India Limited	337,250,001	55,000,000
	Face value	₹ 10 each	₹ 10 each
3	Extent of Holding	60%	100%
4	Financial Year of the Subsidiary ended on	March 31, 2013	March 31, 2013
5	The net aggregate amount of Profits/(Losses) of the subsidiary companies for the current year so as far as these concern the member of Holding Company	(Amount in ₹ Millions)	(Amount in ₹ Millions)
a	Dealt with or provided for in the accounts of Holding Company:	NIL	NIL
b	Not dealt with or provided for in the accounts of Holding Company:	624.94	86.49
6	The net aggregate amount of Profits/(Losses) of the subsidiary companies for previous financial years of the Subsidiary so as far as these concern the member of Holding Company		
a	Dealt with or provided for in the accounts of Holding Company:	NIL	NIL
b	Not dealt with or provided for in the accounts of Holding Company:	1349.73	29.80

For and on behalf of the Board of Directors

(Deepak Amitabh)
Chairman & Managing Director
DIN 01061535

(Rajiv Maheshwari)
Company Secretary

Date : May 23, 2013
Place : New Delhi

(Satyanarayan Goel)
Director
DIN 02294069

(Arun Kumar)
Executive Director & CFO



STATEMENT/INFORMATION IN RESPECT OF EACH SUBSIDIARY COMPANY OF PTC INDIA LIMITED

(Pursuant to Section 212(8) of the Companies Act, 1956)

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been given as under:-

(` in mn)

Sl. No.	Particulars	PTC Financial Services Limited	PTC Energy Limited
(a)	Capital	5,620.83	550.00
(b)	Reserves	6,640.57	116.29
(c)	Total Assets	28,990.32	1,027.77
(d)	Total Liabilities	28,990.32	1,027.77
(e)	Details of investments (except in case of investment in subsidiaries)	5,442.17	234.03
(f)	Turnover	2,862.81	2,470.21
(g)	Profit before taxation	1,552.89	128.07
(h)	Provision for taxation	511.32	41.58
(i)	Profit after taxation	1,041.57	86.49
(j)	Proposed dividend	224.83	-

Note:-

PTC India Limited undertakes that annual accounts of subsidiary companies and the related detailed information shall be made available to the shareholders of holding and subsidiary companies seeking such information at any point of time and annual accounts of Subsidiaries companies also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiaries companies concerned.





PTC INDIA LTD.

2nd Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi-110066.

ATTENDANCE SLIP

14th Annual General Meeting- 19th August, 2013

Regd. Folio no. / DP Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of shares

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I certify that I am member / proxy for the member of the company.

I hereby record my presence at the 14th Annual General Meeting of the Company to be held on 19th August, 2013 at 03:00 p.m. at FICCI Auditorium, 1 Federation House, Tansen Marg, New Delhi - 110001.

.....
Name of member / proxy
(in BLOCK Letters)

.....
Signature of member / proxy

Note: Please complete this attendance slip and hand it over at the entrance of the meeting hall. Joint holders may obtain attendance slip on request.

PTC INDIA LTD.

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

PROXY FORM

14th Annual General Meeting- 19th August, 2013

Regd. Folio no. / DP Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/Weof in the district of being a member/ members of the above - named company hereby appoint of in the district of or failing him of in the district of as my/our proxy to vote for me/us on my/our behalf at the FOURTEENTH ANNUAL GENERAL MEETING of the company to be held on the 19th August, 2013 and at any adjournment(s) thereof.

Signed this day of 2013.

affix Revenue Stamp of appropriate value

Signature of member

Name & Address

Proxy no.

NOTES:

1. The form should be deposited at least 48 hours before the commencement of the meeting at the registered office of the Company.
2. A proxy need not be a member of the Company.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.





Format of Application for payment of dividend through ECS

MCS Ltd.,
F-65, Okhla Industrial Area, Phase I
New Delhi 110020

Unit - PTC

DPID no. - Client ID no. / folio no.

Name of the shareholder: _____

Re: Payment of Dividend through ECS

Dear Sir,

I hereby give the company my mandate to credit my dividend on the shares held by me under the aforesaid details directly to my bank account through the Electronic Clearing Service. The details of the bank account are given below:

Name of the Bank	
Bank Branch Name	
Account Type (Savings/Current/O.D/Cash Credit)	
Account Number (As appearing on the cheque book)	
Ledger Folio no. (if any, as appearing on the cheque book)	
*Code number of the bank & branch	
Contact Tel. No. (if any)	

(Please attach a photocopy of the cheque or a cancelled bank cheque of the aforesaid account)

Yours faithfully _____

(Signature of the first/sole shareholder)

(*9 digit number appearing on the MICR cheques issued to you by the bank i.e. the code located immediately adjacent to the specific cheque number)



(Formerly known as Power Trading Corporation of India Ltd.)

2nd Floor, NBCC Tower,
15 Bhikaji Cama Place, New Delhi-110066
Tel.: 011-41659127, 41659128, 41659500
Fax : 011-41659126
Website: www.ptcindia.com