



Dated: 27th September, 2018

To


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|--|---|
| Manager Listing Department/ Department of Corporate Relations BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 532524 | General Manager National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 51 Scrip Code: PTC |
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Sub: Regulation 34 of SEBI (Listing and Obligations and Disclosure Requirements) Regulations 2015) (“referred herein as Listing Regulations”)

Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing and Obligations and Disclosure Requirements) Regulations 2015), the Annual Report of the Company duly approved and adopted in 19th Annual General Meeting of PTC India Limited held on **Thursday, 20th September 2018, at 12.30 P.M.** at Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi-Gurgaon Road, Delhi Cantt, New Delhi- 110010 is submitted please.

Thanking You,


(Rajiv Maheshwari)
Company Secretary


FCS-4998

Enclosed: as above

PTC India Limited

(Formerly known as Power Trading Corporation of India Limited)

2nd Floor, NBCC Tower, 15 Bhikaji Cama Place New Delhi - 110 066 Tel: 011-41659500. Fax: 011-41659144

Website: www.ptcindia.com



**We bring
Life to Power**



**19th Annual Report
2017-18**

Vision

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

Mission

- 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.

Values

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

19TH ANNUAL GENERAL MEETING

To be held on Thursday, the September 20, 2018 at 12:30 P.M. at “Dr. SRKVS Auditorium (Dr. Sarvepalli Radhakrishnan Auditorium), Kendriya Vidyalaya No. 2, APS Colony, Gurgaon Road Delhi Cantt, New Delhi - 110010

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 (AS ON 14.08.2018)

1. Shri Deepak Amitabh, CMD, PTC
2. Shri Ajit Kumar, Director (Commercial & Operations)
3. Dr. Rajib Kumar Mishra, Director (Marketing & Business Development)
4. Shri Arun Kumar Verma, Director - (MOP - Nominee)
5. Shri A. K. Gupta, Director - (NTPC - Nominee)
6. Ms. Bharti Prasad, Independent Director
7. Shri C. Gangopadhyay, Director - (PFC - Nominee)
8. Shri D. S. Saksena, Independent Director
9. Shri Jayant Gokhale, Independent Director
10. Shri K. S. Nagnyal, Director - (LIC - Nominee)
11. Shri M. K. Mittal, Director - (NHPC - Nominee)
12. Shri Rakesh Kacker, Independent Director
13. Shri Ravi P. Singh, Director - (POWERGRID - Nominee)
14. Ms. Sushama Nath, Independent Director
15. Shri Sutirtha Bhattacharya, Independent Director

Company Secretary

Shri Rajiv Maheshwari

Statutory Auditors

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

Internal Auditors

M/s. GSA & Associates

Registrar and Share Transfer Agents

M/s. MCS Share Transfer Agent 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

PTC India Limited

CIN : L40105DL1999PLC099328

2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi - 110 066

Tel: 011-41659500, 41595100, 46484200 Fax: 011-41659144

E-mail: info@ptcindia.com Website: www.ptcindia.com

NOTICE is hereby given to the Members of PTC India Limited that the Nineteenth (19th) Annual General Meeting of the Company will be held on Thursday, 20th day of September, 2018 at 12:30 P.M. at Dr. SRKVS Auditorium (Dr. Sarvepalli Radhakrishnan Auditorium), Kendriya Vidyalaya No. 2, APS Colony, Gurgaon Road Delhi Cantt, New Delhi- 110010, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the (a) Audited Standalone Financial Statements of the Company for the year ended 31st March, 2018, together with Board's Report, and report of Auditors thereon and (b) Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2018 and report of Auditors thereon.

2. To consider and if thought fit, to pass with or without modification (s), the following resolution for dividend for the Financial Year 2017-18 as an Ordinary Resolution:

“RESOLVED THAT pursuant to provision of Section 123 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), dividend at the rate of 40% (₹ 4.00 per equity share of ₹10 each) be and is hereby declared for the FY 2017-18, out of the profits of the Company on the 296008321 equity shares of ₹ 10/- each fully paid up to be paid as per the ownership as on 30th August, 2018 (closing hours).”

3. To appoint a Director in the place of Shri Ravi Prakash Singh (DIN: 05240974) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

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

“RESOLVED THAT Shri Ravi Prakash Singh (DIN: 05240974) who retires by rotation and who is eligible for re-appointment be and is hereby reappointed as Director.”

4. To appoint a Director in the place of Shri Chinmoy Gangopadhyay (DIN 02271398) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

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

“RESOLVED THAT Shri Chinmoy Gangopadhyay (DIN: 02271398) who retires by rotation and who is eligible for re-appointment be and is hereby reappointed as Director.”

SPECIAL BUSINESSES:

5. To appoint Shri Anand Kumar Gupta (DIN:07269906) as Non-Executive Nominee Director

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

“RESOLVED THAT pursuant to provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Anand Kumar Gupta (DIN: 07269906), who was appointed as an additional director in the category of Nominee Director of NTPC Limited by the Board of Directors w.e.f. August 7, 2018 and in respect of whom the Company has received a notice

in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Non- Executive Director as Nominee of NTPC Limited whose office shall be liable to retire by rotation.

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

6. Appointment of Ms. Sushama Nath (DIN: 05152061) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Sushama Nath (DIN: 05152061), who was appointed as an additional director in the category of Independent Director w.e.f. 20th December, 2017 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) consecutive years upto 19th December, 2020 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company and/ or a Committee thereof be and is hereby authorized to severally do or cause to be done all such acts, matters, deeds and things, as may be necessary or desirable for the purpose of giving full effect to this resolution.”

7. Appointment of Ms. Bharti Prasad (DIN: 03025537) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Bharti Prasad (DIN: 03025537), who was appointed as an additional director w.e.f. 20th December, 2017 in the category of Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) consecutive years upto 19th December, 2020 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company and/ or a Committee thereof be and is hereby authorized to severally do or cause to be done all such acts, matters, deeds and things, as may be necessary or desirable for the purpose of giving full effect to this resolution.”

8. Appointment of Shri Sutirtha Bhattacharya (DIN: 00423572) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time & Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, Shri Sutirtha Bhattacharya (DIN: 00423572), who was appointed as an additional director in the category of Independent Director w.e.f. 7th June, 2018 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) consecutive years upto 6th June 2021 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and/ or a committee thereof be and is hereby authorized to severally do or cause to be done all such acts, matters, deeds and things, as may be necessary or desirable for the purpose of giving full effect to this resolution.”

9. Appointment of Shri Devendra Swaroop Saksena (DIN: 08185307) as an Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Devendra Swaroop Saksena (DIN:08185307), who was appointed as an additional director in the category of Independent Director w.e.f. 30th July, 2018 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company for period of 3 (three) consecutive years upto 29th July, 2021 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company and/ or a committee thereof to severally do or cause to be done all such acts, matters, deeds and things, as may be necessary or desirable for the purpose of giving full effect to this resolution.”

10. Re-appointment of Shri Deepak Amitabh (DIN: 01061535) as Chairman & Managing Director

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

“**RESOLVED THAT** Shri Deepak Amitabh (DIN:01061535) be and is hereby appointed as Chairman & Managing Director of the Company for a period of 1 (one) year w.e.f. 16th October, 2017 in accordance with provision of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 at remuneration as mentioned in the explanatory statement and upon the terms and conditions and stipulations contained in his appointment letter issued which, inter alia, consists of his powers, responsibilities and terms of re-appointment as Chairman & Managing Director. Further, his office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the remuneration including benefits, amenities and perquisites may be paid as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take necessary action(s) in this regard including settling of any question regarding his re-appointment.”

11. Re-appointment of Shri Deepak Amitabh (DIN: 01061535) as Chairman & Managing Director

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

“**RESOLVED THAT** Shri Deepak Amitabh (DIN:01061535) be and is hereby appointed as Chairman & Managing Director of the Company w.e.f. 16th October, 2018 upto 8th October, 2022 (upto the age of 62 years) and his re-appointment made shall be in accordance with provision of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and he will be receiving remuneration (as mentioned in the explanatory statement), benefits and amenities as per the applicable polices and his re-appointment shall be upon the terms and conditions and stipulations to be contained in his appointment letter to be issued by the Company. Further, his office shall not be liable to retire by rotation. Further, his powers, responsibilities, remuneration and terms of re-appointment may be decided/ varied by the Board or a Committee duly constituted by the Board from time to time during his tenure.

RESOLVED FURTHER THAT the remuneration including benefits, amenities and perquisites may be paid as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take necessary action(s) in this regard including settling of any question regarding his re-appointment.”

12. Deletion of Article 113 (i) of Articles of Association of the Company

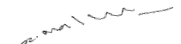
To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to provisions of section 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with Companies (Incorporation) Rules, 2014 and subject to such other approvals, permission, if any, consent of the members be and is hereby granted to delete the Article no. 113 (i) of the existing Articles of Association as given below:

| Articles no. | Subject | Existing | Proposed |
|--------------|-------------------|---|-----------|
| 113 (i) | Nominee Directors | Any shareholder holding more than 10% shareholding of the Company shall be entitled to nominate a part-time Director on the Board of the Company by a notice in writing addressed to the Company. | ‘deleted’ |

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

By Order of the Board of Directors
For PTC India Limited



Date: 14th August, 2018
Place: New Delhi

(Rajiv Maheshwari)
Company Secretary
Membership no. F-4998
Address: 2nd Floor, NBCC Tower,
15 Bhikaji Cama Place, New Delhi-110066

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND APROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. PROXY FORM(S) DULY STAMPED, COMPLETED AND SIGNED SHOULD BE DEPOSITED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN (48) FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days' notice in writing is given to the Company.
3. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business set out in the notice is enclosed.
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 accompanying Notice and the explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m. and 1:00 p.m. upto the date of Annual General Meeting. The requisite statutory registers shall also be open for inspection during the meeting.
6. Brief resume of Directors seeking appointment and re-appointment as prescribed under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with the Secretarial Standards issued by the Institute of Company Secretaries of India is annexed hereto and forms part of the notice.
7. The Register of Members and Share Transfer Books of the Company will be closed from 31st August, 2018 to 20th September 2018 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for participating in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or Share Transfer Agent. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company /RTA for registration of transfer of securities.

8. If the Final Dividend on equity shares as recommended by the Board of Directors, if declared at the meeting, payment of such dividend will be made as under:
 - i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by National Securities Depository

Limited (NSDL) and the Central Depository Services Limited (CDSL) as of the close of business hours on 30th August, 2018.

- ii) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 30th August, 2018.
9. The Shareholders/ Proxies are requested to produce at the Registration Counter(s) the attendance slip duly completed and signed, for admission to the meeting hall.
10. Members/ proxies should bring their copy of the Annual Report for reference at the meeting.
11. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in the physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of Membership at the meeting.
12. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Non-Resident Indian members are requested to inform Company / respective DPs, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company or Share Transfer Agent, for consolidation into a single folio.
15. The Company's Registrar & Transfer Agent (RTA) is MCS Share Transfer Agent Limited.
16. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to MCS Share Transfer Agent Ltd, Registrar & Transfer Agent of the Company in the nomination form (i.e. Form No. SH. 13). In case, shares held in dematerialised form, the nomination has to be lodged with the respective depository participant. The nomination form can be downloaded from the Company's website www.ptcindia.com.
17. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, email address ECS details etc. to their respective Depository Participants. Members holding shares in physical form are requested to intimate such changes either to the Company or Share Transfer Agent.
18. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares.
19. The communication address of our Registrar and Share Transfer Agent (RTA) is MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area -Phase-I, New Delhi-110020.
20. For Electronic Clearing System (ECS) facility for crediting dividend directly to your designated bank accounts, shareholders are requested to give their mandate in the form enclosed.
21. a). This Notice is being sent to all the members whose name appears as on 17th August, 2018 (closing hours) in the Register of Members or beneficial owner details as received from MCS Share Transfer Agent Ltd. (RTA).

- b). The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on September 13, 2018 being cut-off date. Members are eligible to cast vote through remote e-voting or voting in the AGM only if they are holding shares as on that date.
22. The notice of the AGM along with the Annual Report for the financial year 2017-18 is being sent by electronic mode to those members whose e-mails addresses are registered with the company/ depositories unless any member has requested for the physical copy of the same.
23. The Annual Report is also available at the Company's Website www.ptcindia.com.
24. A route map to reach the venue of the Annual General Meeting, including prominent landmark for easy location, attached along with the notice.
25. Voting through electronic means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM) may also attend the AGM) but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 17th September, 2018 (9:00 am) and ends on 19th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th September 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- A. **Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>**
- B. **Step 2 : Cast your vote electronically on NSDL e-Voting system.**
- A. **Details on Step 1 are mentioned below:**
How to Log-in to NSDL e-Voting website?
1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
 2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ashish Kapoor and associates@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send request at evoting@nsdl.co.in.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13th September 2018.
- VII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 13th September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
- VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- IX. A person, whose name is recorded in the register of members or in

the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- X. Mr. Ashish Kapoor, Company Secretary (Fellow Membership No. 8002) Prop. M/s. Ashish Kapoor & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM) but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutiner’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ptcindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE and BSE, Mumbai.

26. Voting through Ballot Paper

Members who have not exercised the option of Remote E-voting shall be entitled to participate and vote at the venue of the AGM on the date of AGM. The voting at the venue of the AGM shall be done through the Ballot Papers and Members attending the AGM shall be able to exercise their voting right at the meeting through Ballot Papers. After the agenda items have been discussed, the Chairman will instruct the scrutiner to initiate the process of voting on the all resolutions through Ballot Papers. The Ballot Paper/s will be issued to the Shareholders/Proxy holders/ Authorised Representatives present at the AGM. the shareholder may exercise their right of vote by tick marking as (√) against ‘FOR’ and ‘AGAINST’ as his/her choice may be, on the agenda item in the Ballot Paper and drop the same in the Ballot Box(es) kept at the meeting hall for this purpose.

In such an event, votes cast under Poll taken together with the votes cast through remote e-voting shall be counted for the purpose of passing of resolution(s).

The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.

The results declared, alongwith the report of the Scrutinizer Report shall be placed on the website of the Company www.ptcindia.com under the section ‘Investor Service- Corporate Announcement’ and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The Results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.

Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. September 20, 2018.

27. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form SH-13 (enclosed with this Notice) to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form. The Company is not providing Video Conferencing facility for this meeting.
28. 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 Share Transfer Agent Ltd. Members are requested to note that dividend not en-cashed / claimed within seven years will be transferred to Investor Education and 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.
29. The Company has implemented the "Green Initiative" in terms of Section 101 of the Companies Act, 2013 to enable electronic delivery of notices/ documents and annual reports to shareholders. The e-mail addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/ CDSL will be deemed to be your registered e-mail address for serving notices/ documents including those covered under Section 101 of the Companies Act, 2013. The Notice of AGM and the copies of audited financial statements, Directors' Report, Auditors' Report etc. will also be displayed on the website www.ptcindia.com of the Company. Members holding shares in electronic mode are, therefore, requested to ensure to keep their e-mail addresses updated with the Depository Participant. Members holding shares in physical mode are also requested to update their e-mail addresses by writing to the Company at Company's e-mail address at cs@ptcindia.com quoting their folio number(s). 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("Act")

Item No. 5 Appointment of Shri Anand Kumar Gupta (DIN: 07269906) as Non-executive Nominee Director

Appointment of Shri Anand Kumar Gupta (DIN: 07269906), aged about 58 years is holding the position of Director (Commercial) of NTPC Limited. Shri Anand Kumar Gupta was appointed as an Additional Director on the Board of Company w.e.f. August 7, 2018 as Nominee of NTPC Limited and holds office up to the date of the ensuing Annual General Meeting.

The company has received a notice in writing as per Section 160 of the Companies Act, 2013, signifying intention to propose Shri Anand Kumar Gupta as Non-Executive Director on the Board of PTC.

The above appointment of Shri Anand Kumar Gupta, as Director being liable to retire by rotation in terms of Section 152 of Companies Act, 2013 requires approval of the Members in the General Meeting. Brief resume of Shri Anand Kumar Gupta is annexed.

Shri Anand Kumar Gupta has confirmed that he is not disqualified from being appointed as a Director under Section 164 of the said Act and given his consent to act as Director.

Shri Anand Kumar Gupta does not have any shareholding in the Company.

None of the Directors or Key Managerial Personnel and their relatives except Shri Anand Kumar Gupta is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. The Board recommends the resolution set out at Item no. 5 of the notice for your approval.

Brief resume of Shri Anand Kumar Gupta

Shri Anand Kumar Gupta (DIN: 07269906) (aged 58 years) is a graduate in Electrical Engineering from MNIT, Allahabad. He has a career spanning over 38 years of outstanding contribution in the NTPC's power generation business in various positions including those of Director (Commercial) and Executive Director (Engineering). He also headed Business Development as well as plant operations and maintenance at stations. He made major contributions in development of international businesses for NTPC, development of new projects of NTPC, Managing coal mining business of NTPC and improving NTPC plant operations. He is nominee Director of NTPC in PTC w.e.f. 7th August, 2018 .

A profile of Shri A.K. Gupta is also annexed to the Notice in accordance with the LODR and Secretarial Standard.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of him as a nominee Director of NTPC. Accordingly, the Board recommends the resolution in relation of appointment of Shri A.K. Gupta as Nominee Director, for the approval of members of the Company as an Ordinary Resolution.

Item No. 6

Appointment of Ms. Sushama Nath (DIN: 05152061) as an Independent Director

Based on the recommendations of Nomination & Remuneration Committee, the Board of Directors through resolution passed by circulation has appointed, Ms. Sushama Nath as an additional director in the category of independent director w.e.f. 20th December 2017.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Sushama Nath for the office of Director of the Company. Ms. Sushama Nath is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Ms. Sushama Nath that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("LODR").

In the opinion of the Board and based upon the declaration of the appointee, Ms. Sushama Nath fulfills the conditions for her appointment as an Independent Director as specified in the Act and the LODR.

Ms. Sushama Nath is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Ms. Sushama Nath

Ms. Sushama Nath, IAS (Retd.) (1974), aged about 67 years was Secretary, Ministry of Finance, Government of India. She has vast and rich experience in field of Finance/ Administration, and in other areas of Government functioning. She has held various senior level positions in Government of India. She has been appointed as an Independent Director of PTC w.e.f. 20th December, 2017.

A profile of Ms. Sushama Nath is also annexed to the Notice in accordance with the LODR and Secretarial Standard.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Sushama Nath as an Independent Director. Accordingly, the Board recommends the resolution in relation of appointment of Ms. Sushama Nath as an Independent Director, for the approval of members of the Company as an Ordinary Resolution.

Item No. 7

Appointment of Ms. Bharti Prasad (DIN: 03025537) as an Independent Director

Based on the recommendations of Nomination & Remuneration Committee, the Board of Directors through resolution passed by circulation has appointed, Ms. Bharti Prasad as an additional director in the category of independent director w.e.f. 20th December 2017.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Bharti Prasad for the office of Director of the Company. Ms. Bharti Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Ms. Bharti Prasad that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("LODR").

In the opinion of the Board and based upon the declaration of the appointee, Ms. Bharti Prasad fulfills the conditions for her appointment as an Independent Director as specified in the Act and the LODR.

Ms. Bharti Prasad is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Ms. Bharti Prasad

Ms. Bharti Prasad, IAAS (Retd.) (1971) aged about 69 years served as Deputy Comptroller & Auditor General of India (C & AG). She has vast and rich experience of Accounts, Audit and Administration. She has held various key positions in Government for Audit & Accounts functions. She has been appointed as Independent Director of PTC w.e.f. 20th December, 2017

A profile of Ms. Bharti Prasad is also annexed to the Notice in accordance with the LODR and Secretarial Standard.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Bharti Prasad as an Independent Director. Accordingly, the Board recommends the resolution in relation of appointment of Ms. Bharti Prasad as an Independent Director, for the approval of members of the Company as an Ordinary Resolution.

Item No. 8

Appointment of Shri Sutirtha Bhattacharya (DIN: 00423572) as an Independent Director

Based on the recommendations of Nomination & Remuneration Committee, the Board of Directors in their meeting held on 7th June 2018 has appointed, Shri Sutirtha Bhattacharya as an additional director in the category of independent director w.e.f. 7th June 2018.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Shri Sutirtha Bhattacharya for the office of Director of the Company. Shri Sutirtha Bhattacharya is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Shri Sutirtha Bhattacharya that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("LODR").

In the opinion of the Board and based upon the declaration of the appointee, Shri Sutirtha Bhattacharya fulfills the conditions for his appointment as an Independent Director as specified in the Act and the LODR.

Shri Sutirtha Bhattacharya is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Shri Sutirtha Bhattacharya.

Shri Sutirtha Bhattacharya, IAS (Retd.) (1985), aged about 61 years is Ex. CMD

of the Coal India Limited. He has rich experience in field of Energy/ Finance/ Administration, and in other areas of Government functioning. He has earlier served in various departments of the Andhra Pradesh Government. He has been appointed as an Independent Director of PTC w.e.f. 7th June, 2018.

A profile of Shri Sutirtha Bhattacharya is also annexed to the Notice in accordance with the LODR and Secretarial Standard.

The Board considers that his continued association would be of immense benefit of the Company and it is desirable to continue to avail services of Shri Sutirtha Bhattacharya as an Independent Director. Accordingly, the Board recommends the resolution in relation of appointment of Shri Sutirtha Bhattacharya as an Independent Director, for the approval of members of the Company as an Ordinary Resolution.

Item No. 9

Appointment of Shri Devendra Swaroop Saksena (DIN: 08185307) as an Independent Director

Based on the recommendations of Nomination & Remuneration Committee, the Board of Directors has appointed, Shri Devendra Swaroop Saksena as an additional director in the category of independent director w.e.f. 30th July, 2018.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Shri Devendra Swaroop Saksena for the office of Director of the Company. Shri Devendra Swaroop Saksena is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Shri Devendra Swaroop Saksena that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("LODR").

In the opinion of the Board and based upon the declaration of the appointee, Shri Devendra Swaroop Saksena fulfills the conditions for his appointment as an Independent Director as specified in the Act and the LODR.

Shri Devendra Swaroop Saksena is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Shri Devendra Swaroop Saksena.

Shri Devendra Swaroop Saksena, IRS (Retd.) (1979) (DIN- 08185307) aged about 61 years served as Principal Chief Commissioner of Income Tax, Mumbai. He has vast and rich experience of Taxation and Government functions. He has held various key positions in Government. He has been appointed as an Independent Director of PTC w.e.f. 30th July, 2018.

A profile of Shri Devendra Swaroop Saksena is also annexed to the Notice in accordance with the LODR and Secretarial Standard.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Devendra Swaroop Saksena as an Independent Director. Accordingly, the Board recommends the resolution in relation of appointment of Shri Devendra Swaroop Saksena as an Independent Director, for the approval of members of the Company as an Ordinary Resolution.

The appointment(s) of Ms. Bharti Prasad, Ms. Sushama Nath, Shri Sutirtha Bhattacharya and Shri Devendra Swaroop Saksena is proposed as Independent Director(s) which have been duly recommended by the Nomination & Remuneration Committee and Board of the Company. The Copy of the letter for appointment of Ms. Bharti Prasad, Ms. Sushama Nath, Shri Sutirtha Bhattacharya and Shri Devendra Swaroop Saksena as Independent Directors are available for inspection on the website of the Company.

Item No. 10 and 11

Re-appointment of Shri Deepak Amitabh (DIN: 01061535)

The tenure of Sh. Deepak Amitabh as Chairman & Managing Director

was expiring on 15th October 2017. Based on the recommendation of the Nomination & Remuneration Committee, the Board decided to re-appoint him for a period of one year. The annual fixed CTC of the CMD for the FY 2017-18 was fixed at ₹ 95,07,960/- based upon the recommendation of the Nomination & Remuneration Committee. Further, he was also entitled for Performance Related Pay of upto 40% of fixed CTC. In addition to this, he is also entitled to PF, Gratuity, other perquisites, yearly increment, car and other benefits which are admissible to a functional Director level in line with the Remuneration Policy of the Company as amended from time to time. The remuneration of Shri Deepak Amitabh and the perquisites has been provided in this Annual Report. The remuneration is also proposed to be ratified by the members in this ensuing annual general meeting besides his appointment for one (1) year while other terms and conditions shall remain unchanged.

Now, the present tenure of Sh. Deepak Amitabh is about to expire on 15th October 2018. The Nomination & Remuneration Committee in its meeting held on 1st June, 2018 has considered the matter and in view of his continued good performance it was agreed to recommend to the Board his re-appointment for another 4 years beyond October 2018 i.e. till he reaches the age of 62 years. This would however be subject to the stipulation that in case arising out of the need to comply with the LODR this decision needs to be reviewed in the light of the conditions of splitting the posts of Chairman and Managing Director then this would be revised if and when required. In any case there should be a review regarding compliance with the LODR latest by January 2020.

Accordingly, based on the continued good performance of Sh. Deepak Amitabh as CMD, his re-appointment has been recommended from 16th October 2018 till he attains the age of 62 years i.e. up to 8th October 2022.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, the Board recommends the resolution in relation to re-appointment of Shri Deepak Amitabh, for the approval of members of the Company as an Ordinary Resolution. The above re-appointment(s) of Shri Deepak Amitabh as Chairman & Managing Director requires approval of the Members in the General Meeting.

Shri Deepak Amitabh has confirmed that he is not disqualified from being re-appointed under Section 164 of the said Act and given his consent.

The fixed CTC of CMD for FY 18-19 would be ₹ 104, 58,756/-p.a. and he is also entitled for Performance Related Pay of upto 40% of fixed CTC. In addition to this, he is also entitled to PF, Gratuity, other perquisites, yearly increment, car and other benefits which are admissible to a functional Director level in line with the Remuneration Policy of the Company as amended from time to time

and total remuneration shall also be subject to the applicable provisions relating to remuneration to managerial personnel as specified under the Companies Act, 2013. The remuneration of Shri Deepak Amitabh and the perquisites has been provided in this Annual Report.

The Board and Nomination & Remuneration Committee of the Board of the Company shall be authorized to take decisions on total remuneration and perquisites, periodical increments/variable pay etc. of Shri Deepak Amitabh during his tenure and settle all issues relating to his remuneration.

Shri Deepak Amitabh holds 79557 equity shares in the Company. He is not liable to retire by rotation.

Brief Profile of Shri Deepak Amitabh

Shri Deepak Amitabh is an alumnus of St. Stephen's college, Delhi. He formerly worked with the Government of India as an officer of the 1984 batch of Indian Revenue Service (IRS). He came to PTC on deputation in September 2003 and served as CFO initially, thereafter as Director (Fin) & CFO and then became the CMD of the Company in October, 2012. He has vast work experience in audit, finance and resource mobilization. In his one and half decade of service to PTC, he has provided leadership roles to various functions of the PTC Group, including finance & resource mobilization, coal trading initiative, debt and equity investments in energy assets, managing long term and short term power sale and purchase portfolio, investor relations etc. Before joining PTC, he has held various positions in IRS including acting as Financial Advisor to Director General Naval Projects, Mumbai, Additional Commissioner of Income Tax, New Delhi and Joint Commissioner of Income Tax, Mumbai. As head of Finance in the Company, he was closely associated with fund raising program (Initial Public offer) of PTC in the year 2004. He spearheaded fund raising through Qualified Institutional Placement (QIP) deals for ₹ 1200 Cr. in January 2008 & for ₹ 500 Cr. in May 2009, respectively. He played a key role in formation of PTC India Financial Services Ltd. (PFS). He has also been instrumental in setting up the fuel intermediation services offered by PTC to various IPPs. He is non-executive Chairman of both the subsidiaries of PTC i.e. PFS and PEL.

A profile of Shri Deepak Amitabh is also annexed to the Notice in accordance with the LODR and Secretarial Standard.

None of the Directors or Key Managerial Personnel and their relatives except Shri Deepak Amitabh is concerned or interested, financially or otherwise, in the resolution(s) set out at Item no. 10 and 11. The Board recommends the resolutions set out at Item no. 10 and 11 of the notice for your approval.

| Name | Shri Chinmoy Gangopadhyay | Shri Ravi P. Singh | Shri Anand Kumar Gupta | Ms. Sushama Nath | Ms. Bharti Prasad | Shri Sutirtha Bhattacharya | Shri Devendra Swaroop Saksena | Shri Deepak Amitabh |
|--|--|---|---|---|--|--|--|--|
| Date of birth | 03/04/1959 | 21/01/1960 | 15/07/1960 | 03/03/1951 | 11/06/1949 | 02/08/1957 | 04/09/1956 | 08/10/1960 |
| Age | 59 | 58 | 58 | 67 | 69 | 61 | 67 | 57 |
| DIN No. | 02271398 | 05240974 | 07269906 | 05152061 | 03025537 | 00423572 | 08185307 | 01061535 |
| Date of appointment/ re-appointment | 01/02/2017 | 03/04/2012 | 07/08/2018 | 20/12/2017 | 20/12/2017 | 07/06/2018 | 30/07/2018 | 16/10/2012 (as CMD) |
| Qualification | Engineer | B.E (Mechanical) and Post- Graduate Diploma in HR | Graduated in Electrical Engineering. | Ex-IAS | Ex-IAAS | Ex-IAS | Ex- IRS | Msc. + Ex-IRS |
| Details of remuneration sought to be paid | NA | NA | NA | NA | NA | NA | NA | Detailed in Annual Report |
| Nationality | INDIAN | INDIAN | INDIAN | INDIAN | INDIAN | INDIAN | INDIAN | INDIAN |
| Experience | More than 30 years | More than 30 years | More than 30 years | More than 30 years | More than 30 years | More than 30 years | More than 30 years | More than 30 years |
| Expertise in specific functional areas | Power sector | Power sector | Power sector | Finance sector | Finance sector | Power & Finance sector | Finance sector | Power & Finance sector |
| Date of first appointment on the Board of the Company | 01/02/2017 | 03/04/2012 | 07/08/2018 | 20/12/2017 | 20/12/2017 | 07/06/2018 | 30/07/2018 | 16/10/2012 (as CMD) |
| Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid | Nominee Director | Nominee Director | Nominee Director | Independent Director | Independent Director | Independent Director | Independent Director | CMD |
| Last drawn remuneration, if applicable | NA | NA | NA | NA | NA | NA | NA | Detailed in Annual Report |
| Details of remuneration sought to be paid | NA | NA | NA | NA | NA | NA | NA | Detailed in Annual Report |
| No. of Board meetings attended during the year 2016-17 | Details given in CG report | Details given in CG report | NA | Details given in CG report | Details given in CG report | NA | NA | Details given in CG report |
| Name(s) of the other Companies in which Directorship held including membership/ chairman of any committee | 1. Power Finance Corporation Limited (PFC) 2. PFC Consulting limited. 3. PFC Capital Advisors Pvt. Ltd. 4. PFC Equity Capital Advisors Pvt. Ltd. 5. Orissa Integrated Power Ltd. 6. Chhattisgarh Surluja Power Ltd. 7. Tatiya Andhra Mega Power Ltd. 8. PFC Green Energy Limited. 9. PTC India Financial Services Limited. - MEMBER, Audit Committee- PFC & PFC Green - MEMBER, Stakeholders Relationship Committee- PFC | 1. Power Grid Corporation of India Limited 2. POWERGRID Unchahar Transmission Limited 3. Power System Operation Corporation Limited 4. POWERGRID NM Transmission Limited 5. POWERGRID Southern Interconnector Transmission System Limited 6. POWERGRID Vizag Transmission Limited 7. POWERGRID Jabalpur Transmission Limited -MEMBER, Stakeholders Relationship Committee- POWERGRID | 1. NTPC Limited 2.NTPC GE Power Services Pvt.Ltd. 3. Nabinagar Power Generating Company Pvt. Ltd. 4. Bhartiya Rail Bijlee Co. Ltd. 5. Transformers and Electricals Kerala Ltd. 6. Trincomalee Power Company Ltd. | 1. Indian Post Payments Bank limited. - MEMBER, Audit Committee - CHAIRMAN, Stakeholders Relationship Committee | NIL | NIL | NIL | 1. PTC India Financial Services Ltd 2. PTC Energy Ltd |
| Membership/ Chairmanship of Committees of PTC India Ltd. | - | Member, Stakeholders & Relationship Committee | Member, Stakeholders & Relationship Committee | Member, Audit Committee | Member, Audit Committee, Chairman, Stakeholders & Relationship Committee | | | |
| Number of Shares held in the company | NIL | NIL | NIL | NIL | NIL | NIL | NIL | 79557 |
| Relationship with other directors, Manager, key managerial personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company | Not related to any Directors and Key Managerial Personnel of the Company |

Item No. 12 – Deletion of Article 113 (i) Articles of Association of the Company

As per the existing Articles of Association, Any shareholder holding more than 10% shareholding of the Company shall be entitled to nominate a part-time Director on the Board of the Company by a notice in writing addressed to the Company. The nominee Directors are categorized as non-Independent Directors. With the existing Article no. 113 (i) of Articles of Association, in the current scenario, the Board size may be required to be increased from time to time as and when a nominee Director is appointed under this Article. A large Board is not considered to be feasible and as a good Corporate, Company cannot continue non-compliance of Corporate Governance norms of SEBI with regards to composition of Board. Deletion in article 113 (i) is proposed in order to ensure compliance of SEBI LODR and to ensure an optimal size of Board, your Board has proposed following deletion in the Articles of Association of the Company:-

| Articles no. | Subject | Existing | Proposed |
|--------------|-------------------|---|-----------|
| 113 (i) | Nominee Directors | Any shareholder holding more than 10% shareholding of the Company shall be entitled to nominate a part-time Director on the Board of the Company by a notice in writing addressed to the Company. | 'deleted' |

Your Directors request for your approval for the resolution set out at Item no. 12 as Special Resolution.

None of the Directors or Key managerial Personnel of the Company and their relatives, other than to the extent of his/her appointment, are deemed to be, concerned or interested, financially or otherwise, in the Resolution(s) as set out above of the Notice. The Board recommends all the resolutions as set out above in this notice for the approval of the members of the Company.

**By Order of the Board of Directors
For PTC India Limited**



Date: 14th August, 2018
Place: New Delhi

(Rajiv Maheshwari)
Company Secretary
Membership no. F-4998
Address: 2nd Floor, NBCC Tower,
15 Bhikaji Cama Place, New Delhi-110066

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'PTC India Limited') along with the audited financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2018.

FINANCIAL PERFORMANCE

The summarized standalone and consolidated results of your Company (and its subsidiaries) are given in the table below.

₹ in Crore

| Particulars | Financial Year Ended | | | |
|---|----------------------|------------|--------------|------------|
| | Standalone | | Consolidated | |
| | 31/03/2018 | 31/03/2017 | 31/03/2018 | 31/03/2017 |
| Total Income | 18,392.15 | 14,312.82 | 19,786.60 | 15513.47 |
| Profit / (Loss) before Interest, Depreciation & Tax (EBITDA) excluding OCI & after minority interest) | 564.90 | 546.31 | 1,665.48 | 1592.82 |
| Finance Charges | 117.28 | 134.59 | 944.37 | 799.73 |
| Depreciation | 2.85 | 2.71 | 97.44 | 21.24 |
| "Provision for Income Tax (including for earlier years)" | 125.57 | 118.14 | 219.70 | 266.04 |
| Net Profit / (Loss) after tax (after minority interest) | 319.20 | 290.87 | 355.35 | 414.72 |
| Profit / (loss) brought forward from previous year | 691.35 | 562.32 | 1,114.85 | 864.22 |
| Amount transferred to General Reserve | 71.70 | 81.01 | 71.70 | 81.01 |
| Dividend paid (including dividend tax) | 94.13 | 80.83 | 106.88 | 89.75 |
| Transferred to special reserve | - | - | 41.35 | 46.08 |
| Transferred to Statutory reserve | - | - | 3.21 | 44.89 |
| Re-measurement of post-employment benefit obligation, net of tax | - | - | 0.10 | 0.04 |
| Adjustment on consolidation | - | - | - | (31.82) |
| Transferred from reserve for equity instrument through OCI | - | - | - | (65.86) |
| Profit / (loss) carried to Balance Sheet | 844.72 | 691.35 | 1,246.96 | 1,114.85 |
| Other comprehensive income (after minority interest) | (80.21) | (20.85) | (157.99) | (41.56) |
| Total comprehensive income | 238.99 | 270.02 | 197.36 | 373.16 |

*previous year figures have been regrouped/rearranged wherever necessary.

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The trading volumes were higher by 18% this year at 57018 MUs as against 48320 MUs during the previous year. With a turnover of ₹ 18,392.15 Crore (including other income) for the year 2017-18 as against ₹ 14312.82 Crore (including other income) in the Financial Year 2016-17, your Company has earned a Profit After Tax of ₹ 319.20 Crore as against ₹ 290.87 Crore in the previous year.

Your Company has two subsidiaries, namely PTC India Financial Services Limited (PFS) and PTC Energy Limited (PEL). The consolidated turnover of the group is ₹ 19,786.60 Crore for the Financial Year 2017-18 as against ₹ 15513.47 Crore for the Financial Year 2016-17. The consolidated Profit after Tax of the Group is ₹ 355.35 Crore for the Financial Year 2017-18 as against ₹ 414.72 crores for the Financial Year 2016-17.

RESERVES

Out of the profits of the Company, a sum of ₹ 71.70 Crore has been transferred to General Reserves during the Financial Year and total reserves and surplus of the Company are ₹ 2923.73 Crore (including securities premium) as on 31st March 2018.

DIVIDEND

The Board of Directors of your Company are pleased to recommend for your consideration and approval, a dividend @ 40% for the Financial Year 2017-18 i.e. ₹ 4 per equity share of ₹ 10 each. The dividend, if approved, at ensuing Annual General Meeting will absorb ₹ 142.74 Crore including Dividend Distribution Tax amounting to ₹ 24.34 Crore.

The dividend will be paid to the members whose names appear in the Register of Members as on a record date and in respect of shares held in dematerialized form whose names are furnished by National Securities Depositories Limited (NSDL) and Central Depository (India) Limited (CDSL) as beneficial owners as on record date.

NET WORTH AND EARNINGS PER SHARE (EPS)

As on 31st March 2018, net worth of your Company aggregates to ₹ 3219.74 Crore as compared to ₹ 3,074.88 Crore for the previous Financial Year thereby registering a growth of 4.71%.

EPS of the Company for the year ended 31st March, 2018 stands at ₹ 10.78 in comparison to ₹ 9.83 for the Financial Year ended 31st March, 2017.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statement relates (i.e. 31st March, 2018) and on the date of this report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

CHANGES IN CAPITAL STRUCTURE

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

As on 31st March 2018, PTC has Authorized Share Capital of ₹ 750, 00, 00,000 and paid-up share capital of ₹ 296,00,83,210/- divided into 29,60,08,321 equity shares of ₹10 each. The equity shares of your Company are listed on the 'BSE Limited' (BSE) and '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, other Insurance Companies, Banking Institutions, Corporations, Investment Companies, Foreign Institutional Investors, Private Utilities and others including public at large.

HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Pursuant to sub-section (3) of section 129 of the Companies Act, 2013 ("the Act"), the statement containing the salient features of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given in Form AOC-1 as **Annexure I**.

Holding Company

The Company does not have any holding company.

Subsidiary Companies

PTC India Financial Services Limited

PTC India Financial Services Limited (PFS) is a subsidiary of your Company wherein PTC holds 65% stake and invested ₹ 754.77 crore. PFS is listed on NSE & BSE and has been classified as Infrastructure Finance Company (IFC) by the Reserve Bank of India. PFS recorded revenue of ₹ 1,189.63 Crores during FY 18, which is lower by 11.93% as compared to last year's revenue of ₹ 1,350.79 Crores. Last year's revenue includes ₹ 147.15 Crores as profit on sale & dividend income from investment. Interest income for FY18 remained constant at ₹ 1,112.75 Crores as against previous year's ₹ 1,113.69 Crores. The profit before tax and profit after tax for FY18 stood at ₹ 104.94 Crores and ₹ 24.70 Crores respectively. Earnings per share for financial year stood at ₹0.38 per share.

PTC Energy Limited (PEL)

PEL is a wholly owned subsidiary of your Company wherein PTC holds 100% stake and invested ₹ 654.12 crore. PEL has renewable energy portfolio of 288.8 MW consisting of 50 MW wind power projects in Madhya Pradesh, 50 MW wind power project in Karnataka and 188.8 MW wind power projects in Andhra Pradesh. During the year, PEL has recorded total income of ₹ 281.75 crore (Previous year ₹ 47.19 crore)

The Policy for Determining Material Subsidiaries as approved by the Board is available on the company's website at the link: http://ptcindia.com/statutory_information/Policy-on-Determining-Material-Subsidiaries.pdf.

INVESTMENT IN OTHER COMPANIES (Amount released up to 31st March 2018)

- Your Company has executed Equity Subscription Agreement (ESA) for investment in Athena Energy Ventures Private Limited (AEVPL). PTC has released ₹ 150 crore. The other investors in this Company are Athena Group. PTC has made a total provision of ₹ 131.42 Crore towards the investment (Provision of ₹ 32.55 Crore and ₹ 98.87 Crore towards this investment were made during FY 2016-17 and FY 2017-18 respectively).
- Your Company had made an investment of ₹ 37.55 crore in Krishna Godavari Power Utilities Limited. However, due to slow progress and other issues, provision was made for entire amount of ₹ 37.55 Crores during FY 2015-16.
- Teesta Urja Limited (TUL) has implement a project of 1200 MW Teesta III Hydro Electric Project and the company invested a sum of ₹ 224.33 crores in equity of TUL. Majority stake of TUL is held by Govt. of Sikkim (GoS) and the shareholding of PTC in TUL is 6.89%. As on 31/03/2018, the company has carried out fair valuation of investment in TUL and same stood as ₹ 184.55 Crore as against ₹ 165.65 Crore of previous year
- Your Company has equity in M/s. Chenab Valley Power Projects Private Limited (CVPPPL) with NHPC and JKSPDC and as of now PTC has released approx. ₹ 4 Crores.

RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is available on the company's website at the link http://ptcindia.com/statutory_information/Policy-on-materiality-of-Related-Party-Transactions-and-also-on-dealing-with-Related-Party-Transactions.pdf.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of your Company confirms that:

- a. In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit of the company for the year ended on that date;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts of the Company on a going concern basis;
- e. The Directors had laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSOLIDATED FINANCIAL STATEMENTS

The Company adopted Indian Accounting Standard (Ind-AS) from April 1, 2016 and accordingly, the Consolidated Financial Statements have been prepared in accordance with the Accounting Standard notified under Section 133 of the Companies Act, 2013 and the relevant rules issued thereunder read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('SEBI (LODR) Regulations, 2015') and the other accounting principles generally accepted in India. The Consolidated Financial Statements form part of the Annual Report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, the prevention of and detection of fraud and errors, the accuracy & completeness of the accounting records and the timely preparation of reliable financial disclosures.

The Company has appointed M/s. Grant Thornton for the above purpose.

DIRECTORS & KEY MANAGERIAL PERSONNEL

RE - APPOINTMENT OF DIRECTORS

As per the provisions of the Companies Act, Shri Ravi P. Singh and Shri C. Gangopadhyay, Directors would retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Board recommends their re-appointment.

RESIGNATIONS/ COMPLETION OF TENURES

- Shri Arun Kumar, Whole time Director has superannuated and ceased to be a Director w.e.f December 14, 2017.
- Shri Anil Razdan, Shri Dharendra Swarup and Shri Harbans Lal Bajaj, Independent Directors had completed their tenure on January 08, 2018.
- Shri Kulamani Biswal has ceased to be the Nominee Director of NTPC w.e.f. December 19, 2017.
- Smt. Jyoti Arora, nominee of Ministry of Power, Government of India has completed her present tenure with Central Government and ceased to be a Director w.e.f. July 6, 2017.
- Shri K.P. Gupta has ceased to be the Nominee Director of NTPC w.e.f. July, 31, 2018.

APPOINTMENTS

- Appointment of Shri Arun Kumar Verma as nominee of Ministry of Power, Government of India effective from August 10, 2017.
- Appointment of Ms. Bharti Prasad and Ms. Sushama Nath as Independent Directors effective from December 20, 2017.
- Appointment of Shri Kalyan Prasad Gupta as Nominee of NTPC effective from January 01, 2018.
- Appointment of Shri Sutirtha Bhattacharya as an Independent Director effective from June 07, 2018.
- Appointment of Shri Devendra Swaroop Saxena as an Independent Director effective from July, 30, 2018.
- Appointment of Shri A.K. Gupta as Nominee of NTPC effective from August 7, 2018.

Further, Shri Pankaj Goel is CFO w.e.f. 21st April 2018.

DETAILS OF BOARD MEETINGS

The Board met six (6) times during the financial year ended on March 31, 2018. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

For further details in respect of Composition, number and attendance of each director in various Committees of Board as required in accordance with Secretarial Standard-1 on Board Meetings and Listing Regulations, please refer Corporate Governance Report of this Annual Report.

COMMITTEES OF THE BOARD

As on March 31, 2018, the Board had Committees i.e. the Audit Committee, the Nomination & Remuneration Committee, the Corporate Social Responsibility Committee, the Stakeholder's Relationship Committee. The full details are available in Corporate Governance Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulation.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Familiarization Programme Module for Independent Directors is put up on the website of the Company at the link: http://ptcindia.com/statutory_information/FAMILIARISATION-PROGRAMME-MODULE.pdf.

BOARD EVALUATION

The performance evaluation process and related tools are reviewed by the "Nomination & Remuneration Committee" on need basis, and the Committee may periodically seek independent external advice in relation to the process. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company from time to time.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual directors, which includes criteria for performance evaluation of the non-executive and executive directors. The overall effectiveness of the Board is measured on the basis of the ratings obtained by each Director and accordingly the Board decides the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for evaluating its own performance and that of its Committees and individual Directors.

REMUNERATION POLICY

Your Company has in place a policy known as 'Nomination & Remuneration Policy' for selection and appointment of Directors, Senior Management and their remuneration. The Policy includes criteria for determining qualification, positive attributes & independence. The Company aspires to pay performance linked remuneration to its WTDs/CMD. It is ensured that the remuneration is determined in a way that there exists a fine balance between fixed and variable pay. The Policy of the Company on Nomination and Remuneration & Board Diversity is also placed on the website of the Company i.e. www.ptcindia.com and is also annexed to this report at **Annexure 2**.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In compliance with requirements of Companies Act, 2013 & Listing Regulations, the Company has established a mechanism under its Whistle Blower Policy for employees to report to the management instances of unethical behavior, actual or suspected, fraud or

violation of the Company's code of conduct or ethics policy. Whistle blowing is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing. The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behavior etc. The policy provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no complaints were received by the Board or Audit Committee.

The whistle blower policy of the Company is available at the link <http://www.ptcindia.com/common/Whistle-Blower-Policy.pdf> and is also annexed herewith as **Annexure 3**.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, PTC India Limited (PTC) is committed to ensure its contribution to the welfare of the communities in the society where it operates, through its various Corporate Social Responsibility ("CSR") initiatives.

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

To attain its CSR objectives in a professional and integrated manner, PTC shall undertake the CSR activities as specified under the Act.

The composition of the CSR Committee consists of Smt. Bharti Prasad, Independent Director, Shri D.S. Saksena, Independent Director, Shri Chinmoy Gangopadhyay, Non- Executive Director and Shri Deepak Amitabh, Executive Director.

The CSR Policy is available at the link: <http://www.ptcindia.com/pdf/corporate-social-responsibility-policy.pdf> and the policy is also enclosed herewith as **Annexure 4**.

Further, the report on CSR Activities/ Initiatives is attached with this report at **Annexure 5**.

RISK MANAGEMENT POLICY

Your Company has developed and implemented a risk management framework that includes the identification of elements of risk which in the opinion of the Board may threaten the existence of the Company. A group Risk Management Policy has been approved. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in evaluating, resolving and reporting risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, including the development of a Risk Matrix for each business. Tools like the Risk Matrix will guide decisions on risk related issues. Shri Rajiv Malhotra is Group Chief Risk Officer (CRO).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT U/S 186

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements (Standalone) provided in this Annual Report.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT-9 is Annexed with this report at **Annexure 6**.

STATUTORY AUDITORS

M/s K.G. Somani & Co., Chartered Accountants, were appointed as Statutory Auditors of your Company in the 17th Annual General Meeting of the Company for a period of five years till conclusion of 22nd Annual General Meeting of the Company subject to the annual ratification in every Annual General Meeting. Now as per the Companies (Amendment) Act, 2017, the

provisions of ratification of appointment of Statutory Auditor have been done away with and there is no requirement of ratification till the expiry of the term of the Statutory Auditor.

The Statutory Auditors have audited the Accounts of the Company for the financial year ended 31st March 2018 and the same is being placed before members at the ensuing Annual General Meeting for their approval.

The Auditors' Report for FY 2017-18 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

During the period under review, no incident of fraud was reported by the Statutory Auditors pursuant to Section 143(12) of the Companies Act 2013.

INTERNAL AUDITORS

M/s. GSA Associates & Co., Chartered Accountants, New Delhi were appointed as Internal Auditors of the Company for the Financial Year 2017-18 and their reports for the year were submitted to the Audit Committee & Board.

COST AUDITORS

Cost audit is not applicable to the Company.

SECRETARIAL AUDITORS

As required under Section 204 of the Companies Act, 2013 and Rules made there under, the Board has appointed M/s. Agarwal S. Associates, Practicing Company Secretaries as secretarial auditor of the Company for the financial year 2017-18.

The Secretarial Audit Report for FY 2018 does not contain any qualification, reservation or adverse remark except that the composition of Board is not in line with SEBI regulations. The Secretarial Audit Report is enclosed to the Board's Report at **Annexure 7**.

Your Board hereby affirms that it gives immense importance to the Corporate Governance norms issued by the SEBI in the Listing Regulations, 2015 and always endeavor to achieve the highest standard of Governance in the Company. PTC India has complied with all the provisions of Corporate Governance norms except the composition of the Board of Directors is not in line with the SEBI regulations and the Board is in process to induct the required number of Independent Directors to comply with the said Regulations.

HUMAN RESOURCES

In any service enterprise, employees form the core of an organization. Your company recognizes the vitality of this stakeholder. A significant portion of management focus is invested in engaging, developing and on retention of employees. Your company also maintained gender diversity in the Organisation. The employee engagement platform are being framed on the objective of inclusiveness. The company encourages participation of employees in social activities and to provide healthy work environment wherein every employee can develop his/her own strength and deliver expertise to achieve the overall objective of the Organisation.

Industrial relations

Your company has always maintained healthy, cordial, and harmonious industrial relations at all levels.

CORPORATE GOVERNANCE

A separate report on corporate governance, along with a certificate from the Practicing Company Secretary in practice regarding the compliance of conditions of corporate governance norms as stipulated under SEBI (LODR) Regulations, 2015, given as a separate section in the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis on matters related to the business performance as stipulated in the SEBI (LODR) Regulations, 2015 is given as a separate section in the Annual Report.

BUSINESS RESPONSIBILITY REPORT

As stipulated under the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective given as a separate section in the Annual Report.

Domestic Power Trading

Your Company has completed another significant year of its operations. The Financial year 2017-18 has been a year of growth towards addition of Renewable energy (i.e. Wind, Solar etc.) as Govt. of India has identified power sector as a key sector of focus so as to promote sustained industrial growth. The annual growth rate in renewable energy generation has been estimated to be 27% and 18% for conventional energy. In this financial year, the company has maintained its leadership position in the industry by registering substantial growth in trading volume w.r.t. previous year despite several changes in the market dynamics. Volumes of the company have grown by maintaining the continuous interaction with customers, providing innovative solutions and managing the key power portfolio of some states. Your Company remains the front runner in the power trading market.

PTC achieved the highest trading volume of 57018 MUs during 2017-18 against the previous year's figure of 48320 MUs with an annualized growth of 18% over the previous year. PTC achieved Short term trading volume of 10583 MUs (Previous year 7931 MUs) during 2017-18 with a growth of 33% over the previous year. Further, PTC has achieved Long & Medium term trading volume of 21361 MUs (Previous year 16840 MUs) during 2017-18 with a growth of 27% over the previous year. PTC managed to retain its top position with the overall trading volumes considering overall trading business.

PTC's volume on power exchanges during 2017-18 reached 20351 MUs against the previous year figure of 17965 MUs which has seen an increase of 13% over the previous year.

PTC had sustained its presence in the portfolio management of power business for the Utilities segment as it maintained agreement with Jharkhand Bijli Vitran Nigam Limited, Bihar State Power Holding Company Limited, Haryana Power Purchase Centre, Government of Himachal Pradesh and New Delhi Municipal Council. The arrangements mandate PTC for sale / purchase of power for the respective utilities under bilateral, power exchanges and banking arrangements.

Long Term Agreements for Purchase of power

(A) Commissioned Projects

- i. Power Projects commissioned before FY 2017-18: The existing Long-Term arrangements where power supply commenced before FY 2017-18: 3251 MW
- ii. Power Projects commissioned during FY 2017-18: The Long-term arrangements where power supply commenced during FY 2017-18: 443 MW
- iii. Power Projects expected to be commissioned in FY 2018-19: Pipeline of projects with long term arrangements which would commence power supply in FY 2018-19: 1450 MW.

(B) Power Purchase Agreements

PTC has in its portfolio long term Power Purchase Agreements (PPAs) with the generators for a cumulative capacity of about 11401 MW for further sale of power to Discoms which includes Cross-Border power trade. The projects are based on domestic coal, imported coal, gas, hydro and renewable energy resources.

(C) Agreements for Sale of Power

PTC has participated in the tender invited by SECI in FY 2016-17 for selection of power trader for sale of wind power under the Ministry of New Renewable Energy scheme for 1000 MW ISTS connected wind power projects, wherein PTC emerged as the successful bidder and LOI was

placed on PTC. Subsequently, PTC has successfully executed the PPA with Generators and PSA with seven Discoms in FY 2017-18 for the entire quantum of 1049.9 MW.

PTC has participated in 100 MW medium term bid invited by Noida Power Company Limited in FY 2017-18, wherein PTC has emerged as successful bidder for entire 100 MW capacity and PPA/PSA has been signed with Utility/Generator.

PTC has also signed PPA with Haryana Discoms in FY 2017-18 for sale of additional quantum of 176 MW on long term basis from Karcham Wangtoo H.E. Project and the power supply has also commenced in December, 2017.

PTC has been appointed as Aggregator and PFC Consulting has been appointed Nodal Agency under the Guidelines for Procurement for power under Pilot Scheme for medium term issued by Ministry of Power in April, 2018 to facilitate procurement of 2500 MW for 3 years from generating companies having commissioned coal based power plants. The Nodal Agency has initiated the competitive bidding process under the Pilot Scheme and PTC as an Aggregator will sign the Agreement for Procurement of power with successful bidders and back to back Power Supply Agreement with the Distribution Licensee(s).

Cross Border Power Trade

Cross-border trade with Bhutan witnessed 4710 MUs for FY 2017-18. Also, Trade with Nepal witnessed 65.39 MUs.

PTC has participated in the 500 MW long term and medium terms bids invited by Bangladesh in FY 2017-18, wherein PTC has emerged as successful bidder for 200 MW capacity each in both Long term and medium term bids and LOIs have been placed on PTC.

In addition to the above, PTC continues to supply 250 MW power to Bangladesh Power Development Board (BPDB) from West Bengal State Electricity Distribution Company Limited. Accordingly, volume for this transaction for FY 2017-18 was 1877.92 MUs. In addition to this, PTC is also supplying 40 MW power to BPDB on medium term basis through competitive bidding and has supplied 308.69 MUs in FY 2017-18. Accordingly, total volume for these transactions for FY 2017-18 was 2186.61 MUs as compared to 2018.13 MUs last year.

Cross-border transactions remain a vital part of our portfolio and we continue to see an increase in volumes in the next year also.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The particulars relating to conservation of energy, technology absorption, are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the total foreign exchange used was ₹ 1.77 Crore (Exp.) and the total foreign exchange earned was ₹ 1074.58 Crore.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached to the Directors' Report at Annexure 8.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL), ACT 2013

Your Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. This policy may be accessed on the Company's website i.e. www.ptcindia.com.

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, Contractual, temporary, trainees) are covered under this policy. The Company has not received any sexual harassment complaints during the year 2017-18.

OTHER DISCLOSURES

i) **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant or material orders were passed during the year under review by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ii) **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM, with the Ministry of Corporate Affairs. During the period under review, the Company has transferred dividend of ₹ 6,78,240/- which were unclaimed for seven years or more and lied in 'unpaid/ unclaimed dividend A/c' for such period to IEPF account. Further, 39717 [numbers] equity shares, in respect of which said unclaimed dividend have been transferred to IEPF account.

iii) **FIXED DEPOSITS**

Your Company has not accepted any deposits from public in terms of provisions of Companies Act, 2013. Thus, no disclosure is required relating to deposits under Chapter V of Companies Act, 2013.

iv) **Secretarial Standard**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India during the period under review.

GENERAL

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.

- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither Managing Director nor the Whole time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

CAUTIONARY STATEMENT

Statements in this "Director's Report" & "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations including raw material/ fuel availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic developments within India and the Countries in which the Company conducts business and other ancillary factors.

APPRECIATION AND ACKNOWLEDGEMENT

The directors take this opportunity to express their deep sense of gratitude to the Promoters, Shareholders, Central and State Governments and their departments, Regulators, Central Electricity Authority, banks and the local authorities for their continued guidance and support.

Your directors would also like to record its appreciation for the support and cooperation your Company has been receiving from its clients and everyone associated with the Company.

Your directors place on record their sincere appreciation to the employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leader.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For and on behalf of the Board

Sd/-

(Deepak Amitabh)

(Chairman & Managing Director)

DIN: 01061535

Place: New Delhi.

Date: 7th August, 2018

FORM NO. AOC-1 (ANNUAL PERFORMANCE OF SUBSIDIARIES)

(Pursuant to first provision of sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

| Name of the Subsidiary Company (Financial Period ended at March 31, 2018) | PTC India Financial Services Limited | PTC Energy Limited |
|---|---|--------------------|
| 1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA | NA |
| 2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | NA | NA |
| 3. Share capital | 642.28 | 654.12 |
| 4. Reserves & surplus | 1656.20 | (6.01) |
| 5. Total assets | 12866.23 | 2214.92 |
| 6. Total Liabilities | 12866.23 | 2214.92 |
| 7. Investments (net of provision) | 63.01 | - |
| 8. Turnover | 1181.00 | 277.60 |
| 9. Profit before taxation | 215.59 | 25.91 |
| 10. Provision for taxation | 76.71 | 17.42 |
| 11. Profit after taxation | 138.88 | 8.49 |
| 12. Proposed Dividend | 12.85 | - |
| 13. % of shareholding | 65% | 100% |

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

Part "B": ASSOCIATES AND JOINT VENTURES

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

| Name of Associates/Joint Ventures | Krishna Godavari Power Utilities Limited | RS India Wind Energy Limited | Varam Bio Energy Pvt. Limited | RS India Global Energy Limited |
|--|--|---------------------------------|----------------------------------|-----------------------------------|
| 1. Latest audited Balance Sheet Date | Not Available | Not Available | Not Available | Not Available |
| 2. Date on which the Associate or Joint Ventures was associated or acquired | | | | |
| 3. Shares of Associate/Joint Ventures held by the company on the year end No. | 3,75,48,700 | 6,11,21,415 | 43,90,000 | 2,34,02,542 |
| Amount of Investment in Associates/Joint Venture (₹ In crore) | 37.55 | 61.12 | 4.39 | 23.40 |
| Extent of Holding % | 49% | 37% | 26% | 48% |
| 4. Description of how there is significant influence | Note A | Note A | Note A | Note A |
| 5. Reason why the associate/joint venture is not consolidated | Note B | Note B | Note B | Note B |
| 6. Networth attributable to Shareholding as per latest audited Balance Sheet | Not Available | Not Available | Not Available | Not Available |
| 7. Profit / Loss for the year | | | | |
| i. Considered in Consolidation | Nil | Not Available | Not Available | Not Available |
| ii. Not Considered in Consolidation | | | | |

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

Note:- Company has made full provisions for the above associates.

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

Note B: The Audited Accounts were not made available by associate.

For and on behalf of the Board
PTC India Limited

Place : New Delhi
Date : 7th August, 2018

Sd/-
(Pankaj Goel)
CFO

Sd/-
(Rajiv Maheshwari)
Company Secretary

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN: 01061535

“NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY”

Legal Framework

As per the requirements of Companies Act 2013, the Board of Directors of PTC India Limited (“Company”) has constituted a Nomination and Remuneration Committee. The Committee’s role is to be supported by a policy for nomination of Directors and Senior Management Personnel including Key Managerial Personnel as also for remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees. Further, a policy on Board Diversity is also to be adopted.

Definitions

For the purpose of this Policy:

- ‘Act’ shall mean the Companies Act, 2013;
- ‘Board’ shall mean the Board of Directors of PTC India Limited (PTC);
- ‘Committee’ shall mean the Nomination and Remuneration committee of the Company, constituted and re constituted by the Board from time to time;
- ‘Company’ shall mean PTC India Limited (PTC);
- ‘Directors’ shall mean the directors of the Company;
- ‘Independent Director’ shall mean a director referred to in Section 149 (6) of the Companies Act, 2013 and under the Listing Agreement with the Stock Exchanges;
- ‘Other employees’ means, all the employees other than the Directors, KMPs and the Senior Management Personnel.’
- “Key Managerial Personnel” or KMP means key managerial personnel as defined under the Companies Act, 2013 & includes:-
 - i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
 - ii. Company Secretary; and
 - iii. Chief Financial Officer
 - iv. Such other officer as may be prescribed
- ‘Senior Management Personnel’ means personnel of the company who are members of its core management team excluding Board of Directors, and comprises of all members of management who are in the grade that is one level below the WTD
- ‘Nomination & Remuneration Committee’ means “Nomination & Remuneration Committee” constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

OBJECTIVE & PURPOSE

The Nomination & Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with applicable rules thereto and Clause 49 of the Listing Agreement. The objective and purpose of the Committee would be as follows:

- To guide and assist the Board in laying down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Whole-time and Independent) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration through a remuneration policy.
- The Company has adopted a remuneration policy which provides for Performance Related Pay (PRP), a reward linked directly to efforts, performance, dedication and achievement relating to the Company’s operations. Apart from the PRP, the annual increases in remuneration have a component of Merit Increase, which is also linked to performance of an individual.
This policy provides the Committee with an overall framework for governance of the remuneration policy of the Company.
- To retain, motivate and promote talent and to ensure long term sustainability for retention of talented managerial persons and create competitive advantage for the Company.
- To guide and assist the Board in laying down ESOP Compensation policy in terms of SEBI Guidelines, as and when decided.
- To guide and assist the Board in clarifying any matter relating to remuneration.

CONSTITUTION

- The Board has determined the membership of the Nomination and Remuneration Committee (hereinafter “the Committee”).
The Committee shall elect its Chairman who will be an Independent Director.

NOMINATION & REMOVAL CRITERIA

1 Appointment criteria and qualifications:

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

- 1.2 A potential candidate being considered for appointment to a position should possess adequate qualification, expertise and experience for the position. The Committee shall review qualifications, expertise and experience commensurate to the requirement for the positions. The Committee will insist on the highest standards of ethical and moral qualities to be possessed by such persons as are considered eligible for the positions.
- 1.3 The Committee shall determine the suitability of appointment of a person to the Board of Directors of the Company by ascertaining whether the fit and proper criteria is met by the candidate in the opinion of the Committee.
- 1.4 The Committee may recommend appropriate induction & training programme for any or all of the appointees.
- 1.5 The Company shall normally not appoint or continue the employment of any person as Whole Time Director, KMP or Senior Management Personnel who has attained the superannuation age as per the policy of the Company.
- 1.6 The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of a director subject to the provisions of law and the respective service contract.
- 1.7 The Committee shall recommend any necessary changes in the Policy to the Board, from time to time.
- 1.8 The Company should ensure that the person so appointed as Director/ Independent Director, KMP, Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
- 1.9 The Director/ Independent Director/Senior Management Personnel/KMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
- 1.10 The company shall familiarize the independent directors with the company, including their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs.

2 Term / Tenure

2.1 CMD or Managing Director/Whole-time Director (WTD):

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

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

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

2. Removal

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

3. Retirement / Superannuation

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

4. Diversity on the Board of the Company

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

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

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

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

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

- Educational qualification - The Directors of the Company shall have a mix of finance, engineering, legal and management background, so that they collectively provide the Company with considerable experience in a range of activities including varied industries, education, policy and investment.

3 Remuneration

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

i. CMD/ MD/ WTD

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

ii. Non-Executive Directors/ Independent Directors

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

iii. Senior Management Personnel / KMPs

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

iv. Other Employees

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

DISCLOSURE OF THIS POLICY

This Nomination & Remuneration policy shall be disclosed in the Board's report as required under the Companies Act, 2013 and in the Listing Agreement.

REVIEW

The Committee may assess the adequacy of this Policy and make any necessary or desirable amendments from time to time to ensure it remains consistent with the Board's objectives, current laws and best practices.

Whistleblower Policy

1.0 Background

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a non-mandatory requirement for all listed companies to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

'Whistleblowing' is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing.

The Whistleblower's role is that of a reporting party with reliable information. Protected Disclosure will be appropriately dealt by Audit Committee, as the case may be.

The terms such as 'Company', 'Audit Committee' and 'Board of Directors' refer to the relevant Company, Committee or Board of the Group Company adopting the policy, unless specified. The definitions of some key terms used in this Policy are mentioned below:

- A. "Audit Committee" means the Committee constituted by the Board of Directors of the Company in accordance with the Companies Act and read with Clause 49 of the Listing Agreement with the Stock Exchange.
- B. "Employee" means every employee of the Company, including the whole time Directors of the Company.
- C. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- D. "Whistleblower" means any Employee making a Protected Disclosure under this Policy.
- E. "Ombudsperson" or "Nodal Officer" for the purpose of receiving all complaints under this Policy and ensuring appropriate action.

2.0 Policy Objective

The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behavior etc. The policy aims to ensure that:-

- A. Management is aware of its responsibility for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. The Management is to ensure that procedures and systems exist in the Corporation which minimize the incidence of, and opportunity for fraud and irregularities.
- B. Any fraud / unethical issue that are detected or suspected must be reported immediately to the designated authority for the purpose of co-ordination of preliminary investigation.
- C. To encourage all employees to feel confident in raising concerns and to question and act upon concerns about practice.
- D. To ensure that an employee receives a response to his concerns and that the employee is aware of how to pursue them if he/she is not satisfied.

3.0 Types of Concern

- A. Forgery or alteration of any document or account belonging to the Company.
- B. Sexual or physical abuse
- C. Willful suppression of facts/ deception in matters of appointments, placements, tender committee recommendations, entity and project appraisal, submission of reports, etc. as a result of which a wrongful gain(s) is made to one and /or wrongful loss(s) is caused to the others.
- D. Utilizing Company assets/ funds/ services for personal purposes other than those which have specifically provided for personal purposes.
- E. Authorizing or receiving payments for goods not supplied or services not rendered.
- F. Destruction, disposition, removal of records or any other assets of the Corporation with an ulterior motive to manipulate and misrepresent the facts so as to create suspicion/ suppression/ cheating as a result of which objective assessment/ decision would not be arrived at.
- G. Impropriety in the handling or reporting of money or financial transactions.
- H. Profiteering as a result of insider knowledge of company activities.
- I. Disclosing confidential and proprietary information to outside parties.
- J. Accepting or seeking anything of material value from contractors, vendors, lenders, borrowers and persons providing services/ materials to the company in contravention of Company's Conduct, Discipline and Appeal Rules.
- K. Conduct which is an offence or a breach of law.
- L. Other unethical conduct like gross misconduct, general malpractices etc

The Competent Authority will not tolerate any harassment or victimization (including informal pressures) and will take appropriate action.

4.0 Confidentiality

All concerns will be treated in confidence and every effort will be made not to reveal the Whistleblower's identity. At the appropriate time, however, the Whistleblower might need to come forward as a witness.

Please note that:

- A. An employee must believe the disclosure of information is in the interest of the Company / its stakeholders / public.
- B. Staff must not act maliciously or make false allegations.
- C. Staff must not seek any personal gain.

5.0 Voicing Concerns

- 5.1 This essentially means that boards expect their internal audit functions to identify issues before they become a major problem for the company.
- 5.2 They expect internal auditors to take appropriate actions to mitigate them and provide assurance that they pose no immediate or serious danger.
- 5.3 The Ombudsperson / Nodal officer shall be nominated by the Chairman of the Audit Committee. The Company may adopt either of the following two alternatives for addressing the whistleblower issues:

I. Alternative-1

1. Whistleblower should give the detailed report/complaint to the Ombudsperson / Nodal officer.
2. Report/Complaint would then be screened by the Nodal officer who would forward the report/complaint to the Chairman of Audit Committee. Report/Complaint would finally be reviewed by the Chairman of Audit Committee.
3. All complaints would be recorded regardless of the context it held.
4. Nodal officer would apprise the Audit committee on regular intervals about all the complaints received.
5. If the whistleblower believes that there is a conflict of interest between the Nodal Officer/Ombudsman and the whistle blower, he/she may send his protected disclosure directly to the Chairman, Audit Committee.
6. The report shall first be forwarded to the Chairman of Audit Committee by the ombudsperson. On submission of report, the Audit Committee Chairman may discuss the matter with Ombudsperson who shall on advice of the Chairman, may refer the matter before the Audit Committee and/ or Board (the option to forward it to Audit Committee or Board shall be suggested by the Audit Committee Chairman) with his / her recommendations. The Audit Committee and/ or the Board shall decide on the matter.

II. Alternative-2

1. A "Whistle Blower Committee" may be constituted consisting of senior officials to conduct an investigation in the matters of protected disclosure received by company.
2. A report shall be prepared after completion of investigation and shall be submitted along with recommendations to the Managing Director for action, after providing reasonable opportunity of being heard to all associated individuals.
3. It is further proposed that the protected disclosures be addressed to the ombudsperson / nodal officer nominated.
4. The protected disclosure against the ombudsperson / nodal officer should be addressed to the Managing Director & CEO of the Company
5. The Protected Disclosure against the Managing Director & CEO should be addressed to the Chairman of the Audit Committee.
6. All complaints would be recorded regardless of the context it held.
- 5.4 In case the disclosure made by the whistleblower found to be malafide, frivolous, baseless then the disclosure would not be entertained. Details of the complaints would be recorded & maintained for a term of 5 years or even extended period (for specific complaints) as may be decided by Chairman of Audit Committee.
- 5.5 Detailed written record of the protected disclosure will include
 - a. findings of Ombudsperson / Nodal officer's;
 - b. The recommendations of the Ombudsperson whether disciplinary / other action(s).

Note: The policy is approved in the Audit Committee meeting of PTC India Ltd. dated 8th August 2014. PTC has adopted Alternative-1 provided in the policy and Company Secretary had been appointed as Nodal Officer.

Corporate Social Responsibility Policy

Introduction:

As a corporate citizen, PTC India Limited (“PTC”) is committed to ensure the social upliftment of the communities in which it operates through Corporate Social Responsibility (“CSR”) initiatives. This Policy lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of community at large.

Objective of CSR initiatives:

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

The CSR Policy has been made in line with the Section 135 of Companies Act, 2013 and its amendments from time to time (“The Act”) and would include the activities as covered under Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

Constitution of CSR Committee

In line with the provisions of the Act, CSR Committee of Board of Directors of PTC has been formed.

Functions of the CSR Committee

The CSR Committee shall—

- (a) Formulate and recommend to the Board, a CSR Policy which shall indicate the CSR activities to be undertaken by the company as specified in Schedule VII of the Act. The same is being presented through this Policy.
- (b) Recommend the amount of expenditure to be incurred on the CSR activities referred to in clause (a); and
- (c) Monitor the CSR Policy of the company from time to time.

CSR PROJECTS, PROGRAMS AND ACTIVITIES

1. CSR Activities

To attain its CSR objectives in a professional and integrated manner, PTC shall undertake the CSR activities as specified under the Act. The CSR activities of the Company will have the following thrust areas:

- I. Eradicating extreme hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Govt. for promotion of Sanitation and making available safe drinking water;
- II. Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- III. Promoting gender equality, empowering women, reducing child mortality and improving maternal health, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- V. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- VI. Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
- VII. Slum Area Development;
- VIII. Social business projects;
- IX. Protection of National Heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- X. Measure for the benefit of armed force veterans, war widows and their dependents;
- XI. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;
- XII. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- XIII. Rural Development projects.

2. Implementation Process:

The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

The administration of the CSR Policy and the execution of identified CSR project(s), program(s) and activities under it shall be monitored by an internal group.

The Activities shall be performed by following implementation modalities by the following:

- a) The CSR activities shall be undertaken by the company, as per this CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- b) The PTC Board may decide to undertake CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise:

Provided that if such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;

- c) Collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the PTC CSR committee is in a position to report separately on such projects or programs.
- d) Through Internal Implementation Agencies such as Employee Volunteers, Employee Families, and / or
- e) Through External Implementation Agencies such as Government Agencies, NGOs and others.
- f) Local areas shall be given priority for CSR activities, however a distant geographical area may also be selected for some activities on need basis.
- g) The Implementing Agency (ies) should have a track record of at least 3 years in undertaking the similar program / project / activities.

3. Review Mechanism

All proposal for CSR activities shall be first examined by the internal CSR Group and only after found suitable proposals shall be put up to CSR committee of Directors for their consideration following due process in the company. The proposal shall be put up for approval of the Board after the recommendation / approval from CSR Committee of Directors.

4. Budget:

PTC will allocate at least 2% of the average net profits of the company made during the three immediately preceding financial years' as its Annual CSR Budget.

5. Surplus of CSR Projects

The surplus, if any, arising out of the CSR projects or programmes or activities shall not form a part of the business profit of PTC and will be ploughed back into the CSR activities. CSR Budget will be non-lapsable in nature and if the budget is not fully utilized, PTC shall disclose the reasons for not fully utilizing the budget allocated for CSR activities planned for each year. Unspent amount of fund will have to spend within the next 2 financial years.

6. Monitoring & feedback

To ensure effective implementation of the CSR programmes undertaken, the CSR Group will conduct impact studies on a periodic basis, through independent professional third parties/ professional institutions, especially on the strategic and high value programmes.

CSR Group will also obtain feedback from beneficiaries about the programmes.

In case of any doubt with regard to any provision of the Policy and also in respect of matters not covered herein, a reference shall be made to the CSR Committee. In all such matters, the interpretation and decision of the Chairman of CSR Committee shall be final.

The Company reserves the right to modify, cancel, add or amend any of the provisions of this Policy.

7. General

This policy shall stand modified by the provisions of the Companies Act/ Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.

This policy would serve as the referral document for planning and selection of CSR activities, though, whenever in doubt, cross reference to Companies Act & Companies (Corporate Social Responsibility Policy) Rules, 2014 shall be followed to avoid any inconsistency with the latter.

The power to modify/ amend the CSR Policy will rest the Board of Directors of PTC.

The CSR Committee will be responsible for framing the rule(s) in accordance with and in furtherance of the CSR Policy, as approved and as amended by the Board from time to time and also for the overall implementation of the CSR Policy.

REPORT ON CSR ACTIVITIES/INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the company has established Corporate Social Responsibility (CSR) Committee and thereby, the statutory disclosures with respect to CSR Committee and the Annual Report on CSR Activities, forms the part of this Report:

1. A brief outline of the Company's CSR policy:-

CSR Policy-

As a corporate citizen, your company, is committed to ensure the social upliftment of the communities in areas where it operates through its Corporate Social Responsibility (CSR) Initiatives. The company has formulated a CSR policy aiming to deliver internal and external positive socio-environmental impact while ensuring focused contribution towards CSR.

The Company's thrust areas for undertaking CSR activities are in line with the key sectors specified in Schedule VII of Section 135, of the Companies Act, 2013, and changes therein from time to time.

Web-Link to the CSR Policy - <http://www.ptcindia.com/pdf/corporate-social-responsibility-policy.pdf>

2. Composition of CSR Committee-

Your Company recognizes its responsibility towards the Society, Nation & Environment. To mark this goal, the company has constituted a Corporate Social Responsibility Committee for smooth conduction of various CSR Initiatives.

Members of the Committee are:

Ms. Bharti Prasad (Chairperson of the Committee)

Mr. Deepak Amitabh, Chairman & Managing Director, PTC India Limited

Mr. Chinmoy Gangopadhyay, Nominee Director

Mr. D.S. Saksena, Independent Director

3. Average net profit of the company during last three financial years : ₹ 332.67 Crs.

4. Prescribed CSR Expenditure from the F Y 2017-18

(Two percent of the amount as in item 3 above) : ₹ 6.65 Crs.

Carried over amount from F Y 2016-17 : Nil

Total CSR Budget : ₹ 6.65 Crs.

5. Details of CSR funds spent during the financial year:

a. Total amount to be spent during the financial year; : ₹ 6.65 Crs.

Amount spent during the financial year 2017-18 : ₹ 5.00 Crs.

b. Amount unspent, if any; : ₹ 1.65 Crs.

(The Committee aimed that the CSR endeavored to be carried out meaningfully ensuring active compliance with the letter and spirit of the law and ethical standards, furthering social good in which professional management of CSR functions plays a vital role. The plans to be prepared should be in the best interest of the society on a sustainable basis).

b. Manner in which the amount spent during the financial year is detailed below:

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|--------|------------------------------------|---|---|---|---|---|---|
| S. No. | CSR project or activity identified | Sector under which the project is covered | Projects or program (1) Local area or other(2) Specify the state and district where projects or programs was undertaken | Amount (in ₹) outlay (budget) project or program wise | Amount (in ₹) spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure up to the reporting period | Amount spent: Direct or through implementing agency |
| 1 | Sanitation work | Preventive health care & Sanitation | Bhikaji Cama Place, New Delhi | 2.5 Crs. (03 years Duration) | (1) 0.84 Crs. | 1.96 Crs. | Through PTC Foundation Trust |

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|--------|--|--|---|---|---|---|---|
| S. No. | CSR project or activity identified | Sector under which the project is covered | Projects or program (1) Local area or other(2) Specify the state and district where projects or programs was undertaken | Amount (in ₹) outlay (budget) project or program wise | Amount (in ₹) spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure up to the reporting period | Amount spent: Direct or through implementing agency |
| 2 | Promotion of Education, Gender Equality and Women's Empowerment | Skill Development & Women Empowerment | Gurgaon, Haryana | 0.50 Crs. (01 year Duration) | (1) 0.50 Crs. | 0.50 Crs. | Through PTC Foundation Trust |
| 3 | Renewable energy installations to ensure reduced consumption of fossil-fuels and resultant cost-saving to translate into more meals for deserving children | Promoting Education & eradicating hunger | Lucknow & Vrindavan, Uttar Pradesh | 0.41 Crs. (01 years Duration) | (1) 0.41 Crs. | 0.41 Crs. | Through PTC Foundation Trust |
| 4 | Organize one(1) day Cancer Detection-cum Health Camp | Preventive health Care | Ghaziabad, Uttar Pradesh | 0.04 Crs. | (1) 0.04 Crs. | 0.04 Crs. | Through PTC Foundation Trust |
| 5 | One (1) Day Camp for distribution of Aids & Appliances for Differently Abled Persons | Empowering the Differently Abled Persons | Greater Noida, Uttar Pradesh | 0.51 Crs. | (1) 0.51 Crs. | 0.51 Crs. | Through PTC Foundation Trust |
| 6 | Economic Empowerment of poor women through capacity building & collectives" at Ramgarh, Laxmangarh & Thanagazi, for 1550 women | Empowering Women through Livelihood projects | Alwar, Rajasthan | 0.50 Crs. (01 years Duration) | (1) 0.50 Crs. | 0.50 Crs. | Through PTC Foundation Trust |
| 7 | Renovation of two (02) community toilets to Modern Eco-friendly Toilets at Bhikaji Cama Place | Promoting Preventive healthcare & Sanitation | Bhikaji Cama Place, New Delhi | 0.49 Crs. (01 years Duration) | (1) 0.49 Crs. | 0.49 Crs. | Through PTC Foundation Trust |
| 8 | Skill Development Training of unemployed/ underemployed youths with a view to convert them into Field Technicians | Employment Enhancing Vocational Skills | Noida, Uttar Pradesh | 0.21 Crs. (01 years Duration) | (1) 0.0 Crs. | 0.0 Crs. | Through PTC Foundation Trust |
| 9 | Gram Utthaan: Empower Farmers to Develop Villages at Five Villages for three years | Livelihood and Rural Development Projects | Muzaffarpur, Bihar | 1.12 Crs. (03 years Duration) | (1) 0.54 Crs. | 0.54 Crs. | Through PTC Foundation Trust |
| 10 | VIVO Healthcare-Skilling India to Save Lives | Employment Enhancing Vocational Skills | Gurgaon, Haryana | 0.57 Crs. (01 years Duration) | (1) 0.57 Crs. | 0.57 Crs. | Through PTC Foundation Trust |
| | | | | | (2) 0.61 Crs. | 0.70 Crs. | Through PTC Foundation Trust |
| | Total | | | | 5.00 Crs. | 6.23 Crs. | |

6. Reason for not spending the Amount

Your company along with its two other Group Companies namely PTC India Financial Services and PTC Energy Limited has formed a Trust by the name of PTC FOUNDATION for undertaking various CSR Activities in a professional manner. All the activities mentioned in the table above are being implemented through the Trust. Your Company made efforts to actively expand the sector and areas of CSR initiatives through its Trust. It could undertake above projects successfully and spend the amount shown. Efforts are being made to further undertake more initiatives in related sector.

7. Responsibility Statement:

We hereby affirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives & policy of the Company.

Place: New Delhi

Date: 7th August, 2018

Chairman & Managing Director

Chairperson of CSR committee

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

| | | |
|-----|---|---|
| i | CIN | L4015DL1999PLC099328 |
| ii | Registration Date | 16/04/1999 |
| iii | Name of the Company | PTC India Ltd. |
| iv | Category/Sub-category of the Company | Public Company (Limited By shares) |
| v | Address of the Registered office & contact details" | 2 nd Floor, NBCC Tower, 15, Bhikaji Cama Place, New Delhi-110066 |
| vi | Whether listed company | Yes |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | MCS Share Transfer Agent Ltd., F-65, Okhla Industrial Area, Phase-I, New Delhi-110020 |

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Trading of Electricity | Not Available | |

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| S. No. | Name and Address of the Company | CIN/GLN | Holding /Subsidiary/ Associate | % of Shares held | Applicable section |
|--------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1 | PTC India Financial Services Ltd., 7 th Floor, MTNL Building, 8, Bhikaji Cama Place, New Delhi-110066 | L65999DL2006PLC153373 | Subsidiary | 60 | 2(87) |
| 2 | PTC Energy Ltd., 2 nd Floor, NBCC Tower, 15, Bhikaji Cama Place, New Delhi- 110066 | U40106DL2008PLC181648 | Subsidiary | 100 | 2(87) |
| 3 | Krishna Godavari Power Utilities Ltd. | U40109TG1995PLC020948 | Associate | 49 | 2(6) |
| 4 | RS India Wind Energy Pvt. Ltd.* GL Business Center, Old Gurgaon Road, Dundahera, Gurgaon, Haryana | U40101HR2006PTC049781 | Associate | 37 | 2(6) |
| 5 | Varam Bio Energy Pvt. Ltd.* | U40108TG2002PTC038381 | Associate | 26 | 2(6) |
| 6 | RS India Global Energy Ltd.** GL Business Center, Old Gurgaon Road, Dundahera, Gurgaon, Haryana | U40300HR2008PLC049683 | Associate | 48 | 2(6) |

*Associates of PTC India Financial Services Ltd. (subsidiary)

**Associate of PTC Energy Ltd. (subsidiary)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change during the year |
|---------------------------------|---|----------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | | | | | | | | | |
| b) Central Govt. or State Govt. | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| c) Bodies Corporates | 48000000 | | 48000000 | 16.22 | 48000000 | | 48000000 | 16.22 | - |
| d) Bank/FI | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| e) Any other | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| SUB TOTAL:(A) (1) | 48000000 | 0 | 48000000 | 16.22 | 48000000 | 0 | 48000000 | 16.22 | - |
| (2) Foreign | | | | | | | | | |
| a) NRI- Individuals | | 0 | | - | | 0 | 0 | - | - |
| b) Other Individuals | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change during the year |
|---|---|-----------------|------------------|-------------------|---|-----------------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Bodies Corp. | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| d) Banks/FI | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| e) Any other... | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| SUB TOTAL (A) (2) | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| Total Shareholding of Promoter (A)= (A)(1)+(A)(2) | 48000000 | 0 | 48000000 | 16.22 | 48000000 | 0 | 48000000 | 16.22 | - |
| B. PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | 34082367 | | 34082367 | 11.51 | 53519349 | 0 | 53519349 | 18.08 | 6.57 |
| b) Banks/FI | 5081296 | | 5081296 | 1.72 | 4331782 | 0 | 4331782 | 1.46 | (0.25) |
| C) Central govt | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| d) State Govt. | | 0 | | - | | 0 | | - | - |
| e) Venture Capital Fund | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| f) Insurance Companies | 38325009 | | 38325009 | 12.95 | 25054838 | | 25054838 | 8.46 | (4.48) |
| g) FIIS | 98134137 | | 98134137 | 33.15 | 97863123 | 0 | 97863123 | 33.06 | (0.09) |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| i) Others (specify)- Other Insurance Companies | | 0 | | - | | 0 | | - | - |
| SUB TOTAL (B)(1): | 175622809 | 0 | 175622809 | 59.33 | 180769092 | 0 | 180769092 | 61.07 | 1.74 |
| (2) Non Institutions | | | | | | | | | |
| a) Bodies corporates | | | | | | | | | |
| i) Indian** | 13226659 | 10000000 | 23226659 | 7.85 | 9106744 | 10000000 | 19106744 | 6.45 | (1.39) |
| ii) Overseas | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹2 lakhs** | 38556304 | 28495 | 38584799 | 13.04 | 38481197 | 25866 | 38507063 | 13.01 | (0.03) |
| ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs | 8292561 | 0 | 8292561 | 2.80 | 6104941 | 0 | 6104941 | 2.06 | (0.74) |
| NBFCs registered with RBI | 15250 | 0 | 15250 | 0.01 | 2650 | 0 | 2650 | 0 | 0.00 |
| c) Others (specify) | | | | | | | | | |
| Trust & Foundations | 56452 | 0 | 56452 | 0.02 | 63891 | 0 | 63891 | 0.02 | 0.00 |
| Coperative Societies | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| Educational Institutions | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| Non Resident Individual | 2209791 | 0 | 2209791 | 0.75 | 3416548 | 0 | 3416548 | 1.15 | (0.41) |
| Foreign Companies | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| OCBs | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| Govt. | | | | - | 37392 | 0 | 37392 | 0.01 | (0.01) |
| SUB TOTAL (B)(2): | 62357017 | 10028495 | 72385512 | 24.45 | 57213363 | 10025866 | 67239229 | 22.72 | (2.57) |
| Total Public Shareholding (B)= (B) (1)+(B)(2) | 237979826 | 10028495 | 248008321 | 83.78 | 237982455 | 10025866 | 248008321 | 83.78 | - |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Grand Total (A+B+C) | 285979826 | 10028495 | 296008321 | 100.00 | 285982455 | 10025866 | 296008321 | 100.00 | - |

(ii) SHARE HOLDING OF PROMOTERS

| S. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of shares | % of total shares of the company | % of shares pledged encumbered to total shares | No. of shares | % of total shares of the company | % of shares pledged encumbered to total shares | |
| 1 | National Hydroelectric Power Corporation Ltd. | 12000000 | 4.05 | 0 | 12000000 | 4.05 | 0 | - |
| 2 | NTPC Limited | 12000000 | 4.05 | 0 | 12000000 | 4.05 | 0 | - |
| 3 | Power Finance Corporation Ltd. | 12000000 | 4.05 | 0 | 12000000 | 4.05 | 0 | - |
| 4 | Power Grid Corporation of India Ltd. | 12000000 | 4.05 | 0 | 12000000 | 4.05 | 0 | - |
| | Total | 48000000 | 16.22 | 0 | 48000000 | 16.22 | 0 | - |

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

| Sl. No. | Share holding at the beginning of the Year | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | At the beginning of the year | 48000000 | 16.22 | 48000000 | 16.22 |
| | Date wise increase/ decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.) | | | | - |
| | At the end of the year | 48000000 | 16.22 | 48000000 | 16.22 |

(v) Shareholding of Directors & Key Managerial Personnel

| Sl. No. | Share holding at the beginning of the Year | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | For Each of the Directors & KMP | | | | |
| 1 | Shri Deepak Amitabh | | | | |
| | At the beginning of the year | 79557 | | 79557 | |
| | Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease | - | | - | |
| | At the end of Year | 79557 | | 79557 | |

| Sl. No. | Share holding at the beginning of the Year | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | For Each of the Directors & KMP | | | | |
| 2 | Shri Rajib Kumar Mishra | - | - | - | - |
| | At the beginning of the year | 1800 | - | 1800 | - |
| | Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease | - | - | - | - |
| | At the end of Year | 1800 | - | 1800 | - |

| Sl. No. | Share holding at the beginning of the Year | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | For Each of the Directors & KMP | | | | |
| 3 | Shri Arun Kumar | | | | |
| | At the beginning of the year | 70061 | 0.02 | | |
| | Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease | | | | |
| | At the end of Year (ceased to be Director w.e.f. 14th December, 2017) | | | NA | NA |

| Sl. No. | Share holding at the beginning of the Year | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | For Each of the Directors & KMP | | | | |
| 4 | Shri Rajiv Maheshwari / Shri Ajit Kumar | | | | |
| | At the beginning of the year | - | - | - | - |
| | Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease | - | - | - | - |
| | At the end of Year | - | - | - | - |

V Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |
| Additions | | | | |
| Reduction | | | Nil | |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(₹/crore)

| Sl. No | Particulars of Remuneration | Name of the MD/WTD/Manager | | | | Total |
|--------|--|----------------------------|--------------------|-------------|-------------|-------------|
| | | Deepak Amitabh | Rajib Kumar Mishra | Ajit Kumar | Arun Kumar | |
| 1 | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961. | 1.42 | 1.03 | 1.02 | 0.74 | 4.21 |
| | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | 0.04 | 0.03 | 0.04 | 0.03 | 0.14 |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Stock option | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | Sweat Equity | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Commission | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | as % of profit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | others (specify) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Others, please specify | 0.05 | 0.04 | 0.04 | 0.03 | 0.16 |
| | Total (A) | 1.51 | 1.10 | 1.10 | 0.80 | 4.51 |
| | This is within the Ceiling as per the Act within 10% of total profit | | | | | |

B. Remuneration to other directors:

(₹/crore)

| Sl. No | Particulars of Remuneration | Name of the Directors | | | | | | | Total Amount | |
|--------|--|-----------------------|-------------|-----------------------|----------------------------|-----------------|---------------------|---------------|--------------|--|
| | | Dhirendra Swarup | H.L. Bajaj | Anil Razdan | Rakesh Kacker | Sushama Nath | Mahesh Kumar Mittal | | | |
| 1 | Independent Directors | | | | | | | | | |
| | (a) Fee for attending board committee meetings | 0.08 | 0.06 | 0.08 | 0.08 | 0.02 | 0.02 | | 0.34 | |
| | (b) Commission | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 | |
| | (c) Others, please specify | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 | |
| | Total (1) | 0.08 | 0.06 | 0.08 | 0.08 | 0.02 | 0.02 | | 0.34 | |
| 2 | Other Non Executive Directors | K Biswal | R P Singh | Krishna Singh Nagnyal | Jayant Purushottam Gokhale | C. Gangopadhyay | K P Gupta | Bharti Prasad | | |
| | (a) Fee for attending board committee meetings | 0.04 | 0.02 | 0.00 | 0.07 | 0.03 | 0.00 | 0.02 | 0.18 | |
| | (b) Commission | 0.00 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | |
| | (c) Others, please specify. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total (2) | 0.04 | 0.02 | 0.01 | 0.07 | 0.03 | 0.00 | 0.02 | 0.19 | |
| | Total (B)=(1+2) | | | | | | | | 0.53 | |
| | Total Managerial Remuneration | | | | | | | | 5.04 | |
| | Overall Ceiling as per the Act. | | | | | | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹/crore)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | |
|---------|--|--------------------------|-------------|
| | | Company Secretary | Total |
| 1 | Gross Salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 0.50 | 0.50 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | 0.03 | 0.03 |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | 0.00 | 0.00 |
| 2 | Stock Option | 0.00 | 0.00 |
| 3 | Sweat Equity | 0.00 | 0.00 |
| 4 | Commission | 0.00 | 0.00 |
| | as % of profit | 0.00% | 0.00% |
| | others, specify | 0.00 | 0.00 |
| 5 | Others, please specify | 0.02 | 0.02 |
| | Total | 0.55 | 0.55 |

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

NIL

| Type | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority (RD/NCLT/Court) | Appeal made if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| A. COMPANY | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| B. DIRECTORS | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |

Detail of Top 10 Shareholders as on 31-03-17 & 31-03-18 and their transactions (Other Than Promoters)

| S. No | Folio No | Name | PAN | Shareholding | | Date | Increase / Decrease in Shareholding | Reason | Cumulative Shareholding during the year (31-03-17 to 31-03-18) | | Category |
|-------|------------------|--|-------------|--|----------------------------------|----------|-------------------------------------|----------|--|----------------------------------|--|
| | | | | No of Shares at the Beginning (31-03-17) /end of the Year (31-03-18) | % of total shares of the Company | | | | Shares | % of total shares of the Company | |
| 1 | IN30081210000012 | LIFE INSURANCE CORPORATION OF INDIA | AAACL058ZH | 29985692 | 10.13 | 20170331 | | | | | INSURANCE COMPANIES |
| | | | | | | 20170915 | -200000 | Sale | 29785692 | 10.06 | |
| | | | | | | 20170922 | -1500000 | Sale | 28285692 | 9.56 | |
| | | | | | | 20170929 | -800000 | Sale | 27485692 | 9.29 | |
| | | | | | | 20171013 | -1165000 | Sale | 26320692 | 8.89 | |
| | | | | | | 20171020 | -798362 | Sale | 25522330 | 8.62 | |
| | | | | | | 20171027 | -536638 | Sale | 24985692 | 8.44 | |
| | | | | | | 20171103 | -587114 | Sale | 24398578 | 8.24 | |
| | | | | | | 20171110 | -1205500 | Sale | 23193078 | 7.84 | |
| | | | | | | 20171117 | -477439 | Sale | 22715639 | 7.67 | |
| | | | | | | 20171124 | -229947 | Sale | 22485692 | 7.6 | |
| | | | | | | 20171201 | -500000 | Sale | 21985692 | 7.43 | |
| | | | | | | 20171208 | -175000 | Sale | 21810692 | 7.37 | |
| | | | | | | 20171215 | -264143 | Sale | 21546549 | 7.28 | |
| | | | | | | 20171222 | -156068 | Sale | 21390481 | 7.23 | |
| | | | | | | 20171229 | -1020000 | Sale | 20370481 | 6.88 | |
| | | | | | | 20180105 | -1216000 | Sale | 19154481 | 6.47 | |
| | | | | | | 20180112 | -534000 | Sale | 18620481 | 6.29 | |
| | | | | | | 20180126 | -625000 | Sale | 17995481 | 6.08 | |
| | | | | | | 20180202 | -396409 | Sale | 17599072 | 5.95 | |
| | | | | | | 20180331 | | | | | |
| 2 | IN30016710014466 | RELIANCE CAPITAL TRUSTEE CO. LTD. A/C RELIANCE DIVERSIFIED POWER SECTOR FUND | AAAATR0090B | 11196148 | 3.78 | 20170331 | | | | | MUTUAL FUNDS PROMOTED BY BANKS / INST. |
| | | | | | | 20170721 | -250000 | Sale | 10946148 | 3.7 | |
| | | | | | | 20170728 | -46000 | Sale | 10900148 | 3.68 | |
| | | | | | | 20170804 | -100000 | Sale | 10800148 | 3.65 | |
| | | | | | | 20170811 | -200000 | Sale | 10600148 | 3.58 | |
| | | | | | | 20180309 | 75000 | Purchase | 10675148 | 3.61 | |
| | | | | | | 20180331 | | | | | |
| 3 | IN30005410076881 | GOVERNMENT PENSION FUND GLOBAL | AACCN1454E | 11322892 | 3.83 | 20170331 | | | | | |
| | | | | | | 20170616 | -655405 | Sale | 10667487 | 3.6 | |
| | | | | | | 20180331 | | | | | |

| S. No | Folio No | Name | PAN | Shareholding | | Date | Increase / Decrease in Shareholding | Reason | Cumulative Shareholding during the year (31-03-17 to 31-03-18) | | Category |
|-------|------------------|--|-------------|--|----------------------------------|----------|-------------------------------------|----------|--|----------------------------------|--|
| | | | | No of Shares at the Beginning (31-03-17) /end of the Year (31-03-18) | % of total shares of the Company | | | | Shares | % of total shares of the Company | |
| 4 | IN30016710000262 | RELIANCE CAPITAL TRUSTEE COMPANY LIMITED A/C RELIANCE GROWTH FUND | AAAATR0900B | 0 | 0 | 20170331 | | | | | MUTUAL FUNDS PROMOTED BY BANKS / INST. |
| | | | | | | 20170929 | 1978000 | Purchase | 1978000 | 0.67 | |
| | | | | | | 20171006 | 1940061 | Purchase | 3918061 | 1.32 | |
| | | | | | | 20171031 | 749950 | Purchase | 4668011 | 1.58 | |
| | | | | | | 20171103 | 50 | Purchase | 4668061 | 1.58 | |
| | | | | | | 20171110 | 879000 | Purchase | 5547061 | 1.87 | |
| | | | | | | 20171124 | 87369 | Purchase | 5634430 | 1.9 | |
| | | | | | | 20171201 | 1208000 | Purchase | 6842430 | 2.31 | |
| | | | | | | 20171222 | 27774 | Purchase | 6870204 | 2.32 | |
| | | | | | | 20171229 | 864000 | Purchase | 7734204 | 2.61 | |
| | | | | | | 20180105 | 632000 | Purchase | 8366204 | 2.83 | |
| | | | | 8366204 | 2.83 | 20180331 | | | | | |
| 5 | IN30005410091124 | ACTIVE EMERGING MARKETS EQUITY FUND | AABTB3889P | 7469172 | 2.52 | 20170331 | | | | | FOREIGN FINANCIAL INSTITUTIONS |
| | | | | 7469172 | 2.52 | 20180331 | NIL | NIL | | | |
| 6 | IN30014210752037 | HSBC GLOBAL INVESTMENT FUNDS - ASIA EX JAPAN EQUITY SMALLER COMPANIES | AADCH8960Q | 5771106 | 1.95 | 20170331 | | | | | FOREIGN MUTUAL FUND |
| | | | | | | 20170512 | 2258340 | Purchase | 8029446 | 2.71 | |
| | | | | | | 20170519 | 70 | Purchase | 8029516 | 2.71 | |
| | | | | | | 20170526 | 558882 | Purchase | 8588398 | 2.9 | |
| | | | | | | 20170707 | 541720 | Purchase | 9130118 | 3.08 | |
| | | | | | | 20180309 | -1110451 | Sale | 8019667 | 2.71 | |
| | | | | | | 20180316 | -1292800 | Sale | 6726867 | 2.27 | |
| | | | | 6210416 | 2.1 | 20180331 | -516451 | Sale | | | |
| 7 | 00000023 | DAMODAR VALLY CORPORATION | 6000000 | 2.03 | 20170331 | | | | | | OTHER BODIES CORPORATES |
| | | | | 2.03 | 20180331 | NIL | NIL | | | | |
| 8 | IN30005410065599 | ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE BALANCED 95 FUND | AAAATB0102C | 4152000 | 1.4 | 20170331 | | | | | OTHER BODIES CORPORATES |
| | | | | | | 20170407 | 1000000 | Purchase | 5152000 | 1.74 | |
| | | | | | | 20170714 | -400000 | Sale | 4752000 | 1.61 | |
| | | | | | | 20170818 | 368000 | Purchase | 5120000 | 1.73 | |
| | | | | | | 20180309 | 600000 | Purchase | 5720000 | 1.93 | |
| | | | | 5720000 | 1.93 | 20180331 | | | | | |

| S. No | Folio No | Name | PAN | Shareholding | | Date | Increase / Decrease in Shareholding | Reason | Cumulative Shareholding during the year (31-03-17 to 31-03-18) | | Category |
|-------|------------------|--|-------------|--|----------------------------------|----------|-------------------------------------|----------|--|----------------------------------|--------------------------------|
| | | | | No of Shares at the Beginning (31-03-17) /end of the Year (31-03-18) | % of total shares of the Company | | | | Shares | % of total shares of the Company | |
| 9 | IN30016710119319 | CAISSE DE DEPOT ET PLACEMENT DU QUEBEC- QUANTUM ADVISORS PRIVATE LIMITED | AADCC1811B | 4869917 | 1.65 | 20170331 | | | | | FOREIGN FINANCIAL INSTITUTIONS |
| 10 | IN30014210725822 | ISHARES CORE EMERGING MARKETS MAURITIUS CO | AADCII1923N | 4869917 | 1.65 | 20180331 | NIL | NIL | | | FOREIGN FINANCIAL INSTITUTIONS |
| | | | | 2772302 | 0.94 | 20170331 | | | | | |
| | | | | | | 20170407 | 35496 | Purchase | 2807798 | 0.95 | |
| | | | | | | 20170414 | 2958 | Purchase | 2810756 | 0.95 | |
| | | | | | | 20170421 | 29580 | Purchase | 2840336 | 0.96 | |
| | | | | | | 20170428 | 41352 | Purchase | 2881088 | 0.97 | |
| | | | | | | 20170505 | 29430 | Purchase | 2911118 | 0.98 | |
| | | | | | | 20170512 | 73575 | Purchase | 2984693 | 1.01 | |
| | | | | | | 20170519 | 64746 | Purchase | 3049439 | 1.03 | |
| | | | | | | 20170602 | 195691 | Purchase | 3245130 | 1.1 | |
| | | | | | | 20170609 | 65446 | Purchase | 3310576 | 1.12 | |
| | | | | | | 20170616 | 59565 | Purchase | 3370141 | 1.14 | |
| | | | | | | 20170630 | 15615 | Purchase | 3385756 | 1.14 | |
| | | | | | | 20170707 | 12492 | Purchase | 3398248 | 1.15 | |
| | | | | | | 20170714 | 3123 | Purchase | 3401371 | 1.15 | |
| | | | | | | 20170721 | 18738 | Purchase | 3420109 | 1.16 | |
| | | | | | | 20170728 | 28107 | Purchase | 3448216 | 1.16 | |
| | | | | | | 20170804 | 56214 | Purchase | 3504430 | 1.18 | |
| | | | | | | 20170811 | 31230 | Purchase | 3535660 | 1.19 | |
| | | | | | | 20170901 | 15615 | Purchase | 3551275 | 1.2 | |
| | | | | | | 20170908 | 9369 | Purchase | 3560644 | 1.2 | |
| | | | | | | 20170915 | 40599 | Purchase | 3601243 | 1.22 | |
| | | | | | | 20170922 | 21861 | Purchase | 3623104 | 1.22 | |
| | | | | | | 20171006 | 6246 | Purchase | 3629350 | 1.23 | |
| | | | | | | 20171013 | 90567 | Purchase | 3719917 | 1.26 | |
| | | | | | | 20171020 | 53091 | Purchase | 3773008 | 1.27 | |
| | | | | | | 20171103 | 12492 | Purchase | 3785500 | 1.28 | |
| | | | | | | 20171124 | 15615 | Purchase | 3801115 | 1.28 | |
| | | | | | | 20171201 | 15615 | Purchase | 3816730 | 1.29 | |
| | | | | | | 20171215 | 18738 | Purchase | 3835468 | 1.3 | |
| | | | | | | 20171222 | 6246 | Purchase | 3841714 | 1.3 | |
| | | | | | | 20171229 | 15365 | Purchase | 3857079 | 1.3 | |
| | | | | | | 20180112 | 113701 | Purchase | 3970780 | 1.34 | |
| | | | | | | 20180119 | 86044 | Purchase | 4056824 | 1.37 | |
| | | | | | | 20180126 | 27657 | Purchase | 4084481 | 1.38 | |

| S. No | Folio No | Name | PAN | Shareholding No of Shares at the Beginning (31-03-17) /end of the Year (31-03-18) | Date | Increase / Decrease in Shareholding | Reason | Cumulative Shareholding during the year (31-03-17 to 31-03-18) | | Category |
|-------|------------------|---|------------|---|----------|---|----------|---|---|--------------------------------------|
| | | | | | | | | Shares | % of total shares of the Company | |
| | | | | | 20180202 | 49168 | Purchase | 413649 | 1.4 | |
| | | | | | 20180223 | 113701 | Purchase | 4247350 | 1.43 | |
| | | | | | 20180302 | 15365 | Purchase | 4262715 | 1.44 | |
| | | | | | 20180309 | 6146 | Purchase | 4268861 | 1.44 | |
| | | | | | 20180316 | 89117 | Purchase | 4357978 | 1.47 | |
| | | | | | 20180323 | 9219 | Purchase | 4367197 | 1.48 | |
| | | | | | 20180331 | 18438 | Purchase | | | |
| 11 | IN30016710039739 | STATE STREET ACTIVE EMERGING MARKETS SMALL CAP NON-LENDING QIB COMMON TRUST FUND | AAHTS0174J | 4385635 3772686 | 20170331 | | | | | FOREIGN MUTUAL FUND |
| | | | | | 20170428 | 171244 | Purchase | 3943930 | 1.33 | |
| | | | | | 20170908 | 309472 | Purchase | 4253402 | 1.44 | |
| | | | | | 20171027 | -101251 | Sale | 4152151 | 1.4 | |
| | | | | | 20171222 | -210954 | Sale | 3941197 | 1.33 | |
| | | | | | 20180105 | -66310 | Sale | 3874887 | 1.31 | |
| | | | | | 20180126 | 316439 | Purchase | 4191326 | 1.42 | |
| | | | | | 20180331 | | | | | |
| 12 | IN30005410009159 | COLONIAL FIRST STATE INVESTMENTS LIMITED AS RESPONSIBLE ENTITY FOR THE COMMONWEALTH SPECILIST FUND 4 | AAATC5667R | 4191326 4381451 | 20170331 | | | | | FOREIGN MUTUAL FUND |
| | | | | | 20170421 | -680100 | sale | 3701351 | 1.25 | |
| | | | | | 20180331 | | | | | |
| 13 | IN30005410040054 | DIMENSIONAL EMERGING MARKETS VALUE FUND | AACCD1578M | 4360390 | 20170331 | | | | | FOREIGN FINANCIAL INSTITUTIONS |
| | | | | | 20170407 | -103536 | Sale | 4256854 | 1.44 | |
| | | | | | 20170414 | -31853 | Sale | 4225001 | 1.43 | |
| | | | | | 20170428 | -80039 | Sale | 4144962 | 1.4 | |
| | | | | | 20170616 | -114250 | Sale | 4030712 | 1.36 | |
| | | | | | 20170630 | -108940 | Sale | 3921772 | 1.32 | |
| | | | | | 20170707 | -69753 | Sale | 3852019 | 1.3 | |
| | | | | | 20170818 | -35580 | Sale | 3816439 | 1.29 | |
| | | | | | 20170825 | -61283 | Sale | 3755156 | 1.27 | |
| | | | | | 20171117 | -28943 | Sale | 3726213 | 1.26 | |
| | | | | | 20171124 | -145719 | Sale | 3580494 | 1.21 | |
| | | | | | 20171201 | -126989 | Sale | 3453505 | 1.17 | |
| | | | | | 20171208 | -117650 | Sale | 3335855 | 1.13 | |
| | | | | | 20171229 | -88654 | Sale | 3247201 | 1.1 | |
| | | | | | 20180105 | -78321 | Sale | 3168880 | 1.07 | |
| | | | | | | 20180331 | | | | |

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To
The Members,
PTC INDIA LIMITED

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

Based on our verification of the PTC's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial period ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by PTC ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of annual certificate submitted to the Board of Directors of the Company.

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India -Generally complied with.
- (b) The Listing Agreement with National Stock Exchange of India Limited and BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. Compliance of Regulation 17 (1) (b) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 w.r.t. appointment of requisite no. of Independent Directors on the Board of the Company.

We further report that the Board of Directors of the Company is not duly constituted in terms of Regulation 17(1) (b) of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 i.e. since Chairman of the Company is executive, at least half of the Board of Directors should comprise of Independent Directors. However, the Company was compliant in terms of provisions under Section 149 (4) of the Companies Act, 2013 since as on date out of 14 Board of Directors there are 5 Independent Directors on the Board of Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

As per Section 149(1) and Regulation 17(1) of SEBI (LODR), 2015, the Company did not have a woman director on its Board from 07.07.2017 to 19.12.2017. However, subsequently, Company has appointed two woman Independent Directors and complied with the provisions relating to appointment of woman Director.

Further, as per Section 203 of the Companies Act, 2013, the Company did not have CFO from 13.12.2017 to 31.03.2018, however, since it has appointed a CFO within the stipulated time of six months from the date of vacancy, it has complied with the provision relating to appointment of CFO.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, if any.

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

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For Agarwal S. & Associates,
Company Secretaries,

CS Sachin Agarwal
Partner
FCS No. : 5774
C.P No. : 5910

Place: New Delhi
Date: June 30, 2018

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

"Annexure A"

To,
The Members,
PTC India Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,
Company Secretaries,

CS Sachin Agarwal
Partner
FCS No. : 5774
C.P No. : 5910

Place: New Delhi
Date: June 30, 2018

Statement of Disclosure of Remuneration under Section 197 of the Companies Act 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18 & the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

| S No. | Name of Director / KMP and Designation | Remuneration of Director/ KMP for F.Y. 2016-17 (₹ in Crore) | Remuneration of Director/ KMP for F.Y. 2017-18 (₹ in crore) | % increase in Remuneration in the F.Y. 2017-18 | Median Remuneration (F.Y. 2017-18) | Ratio of remuneration of each Director/ to median remuneration of employees | Median Remuneration (F.Y. 2016-17) | Increase in median | % with PAT (F.Y. 2017-18) |
|-------|--|---|---|--|------------------------------------|---|------------------------------------|--------------------|---------------------------|
| 1 | Deepak Amitabh (Chairman and Managing Director) | 1.51 | 1.20 | 25.83% | 0.16 | 9.44 | 0.15 | 7% | 0.47% |
| 2 | Dr. Rajib Kumar Mishra (Director) | 1.10 | 0.97 | 13.40% | 0.16 | 6.88 | 0.15 | 7% | 0.34% |
| 3 | Arun Kumar* (Director & Chief Financial Officer) | 0.80 | 0.97 | (17.53%) | 0.16 | 5.00 | 0.15 | 7% | 0.25% |
| 4 | Ajit Kumar (Director) | 1.10 | 0.94 | 17.02% | 0.16 | 6.88 | 0.15 | 7% | 0.34% |
| 5 | Rajiv Maheshwari (Company Secretary) | 0.55 | 0.48 | 14.58% | 0.16 | 3.44 | 0.15 | 7% | 0.17% |

*superannuated w.e.f 14/12/2017

| | | |
|-------|---|---|
| (ii) | The percentage increase in the median remuneration of employees in the financial year; | The median remuneration of Employees including Whole time Director(s) was ₹ 0.16 & ₹ 0.15 in FY 2017-18 and FY 2016-17 respectively. The increase in median remuneration of employees (including WTDs) in FY 2017-18 as compared to FY 2016-17 is 7%. |
| (iii) | The number of permanent employees on the rolls of company; | The number of permanent employees on the rolls of the company as of 31st March 2018 and 31st March 2017 were 99 & 102 respectively. |
| (iv) | average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year was 7% and the percentile increase in the managerial remuneration was 10.96% during the same period. |
| (v) | Affirmation that the remuneration is as per the remuneration policy of the company. | Yes. |

PARTICULARS OF THE TOP 10 EMPLOYEES (SECTION 197)

| S. No. | Name & Designation | Nature of Employment (whether contractual or otherwise)* | Remuneration Received (amount in rupees crore) | Qualifications and Experience | Date of Commencement of Employment in PTC | Age (DOB) | Last Employment | Number of Equity Shares held in the Co. | If relative of any Director or Manager, name of such Director or Manager; |
|--------|--|--|--|---|---|-------------|--------------------------------------|---|---|
| 1 | Deepak Amitabh, CMD | CMD | 1.51 | M.Sc. 34 years | 3-Sep-03 | 8-Oct-60 | IRS. Govt. of India | 79557 | NO |
| 2 | Dr. Rajib Kumar Mishra, Director | Marketing & BD | 1.10 | B.Tech (Electrical), Ph.D 33 years | 20-Oct-11 | 1-Mar-63 | Power Grid Corporation of India Ltd. | 1800 | NO |
| 3 | Arun Kumar, Director & CFO | Finance | 0.80 | B.Sc., ICWA Post graduate diploma in Management & IT 40 years | 28-Oct-03 | 13-Dec-55 | Satluj Jal Vidyut Nigam Ltd. | 70061 | NO |
| 4 | Ajit Kumar, Director | Commercial & Operations | 1.10 | B.Sc. Engg. (Electrical), MBA 38 years | 2-Apr-15 | 8-Apr-59 | NTPC Ltd. | NIL | NO |
| 5 | Rajiv Malhotra, Executive Director & CRO | CRO | 0.93 | B.Sc., PDPM, CFA 28 years | 7-Jun-13 | 7-Nov-66 | Athena Energy Ventures Pvt. Ltd. | NIL | NO |
| 6 | Harish Saran, Executive Director | Marketing | 0.93 | B.E.(Electrical) PGDOM 31 years | 01-Oct-99 | 07-June -65 | Power Grid Corporation of India Ltd. | 105000 | NO |

| S. No. | Name & Designation | Nature of Employment (whether contractual or otherwise)* | Remuneration Received (amount in rupees crore) | Qualifications and Experience | Date of Commencement of Employment in PTC | Age (DOB) | Last Employment | Number of Equity Shares held in the Co. | If relative of any Director or Manager, name of such Director or Manager; |
|--------|---------------------------------------|--|--|-------------------------------|---|------------|--------------------------------------|---|---|
| 7 | Hiranmay De, Executive Vice President | Operations | 0.78 | B.E. (Elec.) 31 years | 20-Oct-03 | 1-Jun-64 | Power Grid Corporation of India Ltd. | NIL | NO |
| 8 | Pankaj Goel, Executive Vice President | Retail | 0.76 | ICWAI, ICAI B.Com 26 years | 17-Feb-09 | 19-Dec-69 | IRCTC Ltd. | 2563 | NO |
| 9 | Sanjeev Puri, Senior Vice President | HR | 0.63 | B.Com, MPM&IR 35 years | 29-Jun-15 | 25-Sept-61 | NTPC Ltd. | 800 | NO |
| 10 | Hira Lal Choudhary, Vice President | Commercial | 0.58 | B.E. (Electrical) 24 years | 17-Oct-14 | 26-Jun-71 | JSW Power Trading Company Ltd. | NIL | NO |

*All of the above are permanent employees of the Company

Remuneration is as per the Remuneration Policy of the Company as approved by Nomination & Remuneration Committee.

The Remuneration for the purpose of above table is defined as Total Cost to the Company (TCC) which includes variable Performance related pay.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee of the Company employed throughout the year who was in receipt of remuneration of Rupees one crore and two lacs or more in a year except for Shri Deepak Amitabh, CMD, Dr. Rajib Kumar Mishra, Director and Ajit Kumar, Director. Further, during the year under review, there was no employee of the Company employed for a part of year who was in receipt of remuneration of rupees eight lacs and fifty thousand or more per month except Shri Arun Kumar who superannuated on 13th December, 2017 from the office of WTD .

Details of remuneration of CMD & other Whole Time Directors (remuneration of more than ₹ 1.02 Cr)

| Name | Shri Deepak Amitabh | Shri Ajit Kumar | Dr. Rajib Kr. Mishra | Shri Arun Kumar Upto 13.12.2017 |
|---|---|------------------------------------|---------------------------|---|
| Designation | CMD | Director (Commercial & Operations) | Director (Marketing & BD) | Director (Fin.) & CFO [upto 13.12.2017] |
| Qualification | MSc., Ex- IRS | B.Sc. Engg. (Electrical), MBA | B.Tech (Electrical), Ph.D | ICWA |
| Nature of Employment Whether contractual or otherwise | CMD | WTD | WTD | WTD |
| Nature of Duties of employees | Overall Managerial functions of company | Commercial & Operations | Marketing & BD/ HR | Fin./ HR |
| Last employment held | Government of India | NTPC | POWERGRID | SJVNL |
| Number of years of experience | 34 | 38 | 33 | 40 |
| Age | 57 | 58 | 55 | 62 |
| Date of commencement of employment (at Board Level) | 25.01.2008 | 02.04.2015 | 24.02.2015 | 16.06.2015 |
| Gross Remuneration (figures in ₹ Crore) | 1.51 | 1.10 | 1.10 | 0.80 |
| No. of Equity Shares held (of ₹ 10/- each) | 79,557 | NIL | 1800 | 70,061 |
| Whether Relative of a Director or Manager | No | No | No | No |
| Other terms and conditions of Employment | - | - | - | - |

MANAGEMENT DISCUSSION AND ANALYSIS

World Economy:

The global economy witnessed robust growth trends during 2017, which were broad based. In 2018 also, the trends are expected to continue. Advanced economies are, however, expected to witness slower growth in the next two years. At the same time emerging markets will continue to recover at a steady rate. While global economic growth strengthened to 3.8% in 2017, driven by recovery in advanced economies, strong growth in emerging Asian economies and parallel recovery in Europe, economists are cautioning about potential downside.

Some of the emerging economies are seen to be vulnerable to financial market disruption. Protectionist policies can hamper growth of global trade and geo political risks have been emphasized. Therefore, the need is for more inclusive growth through reforms that can enhance long term growth prospects. Adoption of technology adds another dimension to this process, which makes skill acquisition and dynamic knowledge process.

Indian Economy:

In India, The economy is expected to stabilize and the GDP growth is estimated at 6.7% in 2017 and is expected to accelerate to 7.4% and 7.8% in 2018 and 2019 respectively. While services are expected to continue to remain the main driver of economic growth, industrial activity is poised to grow, with manufacturing expected to accelerate. The driver for this is implementation of the Goods and Services Tax (GST). The growth will be supported by agriculture, which is likely grow at its long-term average growth rate.

India's growth in recent years has been supported by prudent macroeconomic policy: a new inflation targeting framework, energy subsidy reforms, fiscal consolidation, higher quality of allocation in public expenditure and a stable balance of payments situation. In addition, recent policy reforms have helped India improve the business environment, ease inflows of foreign direct investment (FDI) and improve credit management. However risks posed by global economic trends and corrections in financial markets need to be managed.

India's long-term growth story has become more stable, diversified and resilient. In the long-run, for higher growth to be sustainable and inclusive, India needs to use land and water, which are increasingly becoming scarce resources, more productively, make growth more inclusive, and strengthen its public sector institution to meet the challenges of a fast growing economy.

Power Sector and the Power Market Scenario:

During FY18, India's power sector witnessed a growth of 5.2% in term of installed capacity with an addition of 17,154 MW. The major growth has been witnessed in renewable source with capacity reaching to 69,022 MW (growth of 20%). During 2017-18, renewable capacity has surpassed conventional sector addition to the total generation capacity.

The energy generation observed 6.1% growth to reach at 1,203 Bn Units as compared to previous year's generation of 1134 Bn Units. Transmission capacity addition was 23,119 kms as against a target of 23,086 kms. However, despite the capacity addition in generation and transmission there was a slight increase in the peak deficit situation from 1.6% to 2.0% during FY18. The Energy deficit remained constant at 0.7% during FY17 and FY18. The market witnessed higher liquidity and greater depth, with more participants than previous years.

On the policy and regulatory front, the Government and Regulatory bodies continued the reform process for improvement in efficiency in various aspects of power supply. A transparent coal allocation policy for the Sector, SHAKTI was issued in May, 2017 to ensure adequate supply of coal to power plants. Government of India launched "Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)" to achieve universal household electrification in the country. The objective of the scheme is to provide last mile connectivity and electricity

connections to all households in un-electrified areas. For strengthening of transmission system in rural and urban areas, disbursement of ₹ 33 Lakh Cr. in IPDS scheme and ₹ 37 Lakhs Cr in DDUGJY scheme has taken place till June 2018. Under UDAY scheme for financial and operational improvement of Discoms, bonds have been issued by various States for a total amount of ₹ 2,32,163 Cr. Ministry of New and Renewable Energy (MNRE) launched competitive bidding for procurement of power from wind projects and so far bidding for more than 6,000 MW has taken place in four phases.

Opportunities and Threats

Power supply coverage for the entire of population, through grid connectivity and intensifying power demand of various consumers will continue to expand opportunity for power trading. With increasing efficiency in appliances and machinery usage energy requirement at household, commercial and industrial units is expected to boost the demand.

The market of future refers to providers of reliable, robust and cost effective power. Consumers are getting smarter in their power usage and are willing to pay a premium for reliable and quality power. Competition brought in by the power market helps in making power available at economic rates. We believe, in terms of the learning curve, power trading canvas will increase from present 10-11% to a higher percentage in line with that of the western countries.

Adoption of new technology and ease of transaction will change the way we do the business. Trading as a business will continue to dominate but the form of trading may change to more technology driven mode. Besides this, we feel that policy and regulatory uncertainties also pose a threat to the business.

Segment wise / product wise performance

Your company maintained its leadership position with a market share of 44.1% (including Cross Border) with a growth of 16.4% in the volumes as compared to 37.9% during the previous year. During FY18, your company's clocked all time high trading volumes of 57,018 MUs, an increase of 18% from 48,320 MUs during FY17. Due to grid constraints, some of the contracts could not be operationalized/or were partially operationalized and the power flow was restricted resulting in a volume loss of about 1.2 BUs. The business mix was balanced, short term contributing around 54% (55% in FY17) whereas Long & Medium term contributing 46% (45% in FY17) of the total traded volume.

Although trading margin in long term has increased to 6 Paise/unit from 5.6 Paise/unit, the overall margin has been under pressure and is around 4.3 paise/unit (without taking rebate and surcharge into account) from 4.8 paise/unit in FY17. However, PAT numbers showed an increase of 9.7% to ₹ 319.20 Crores.

Your company's trading volumes in the Short Term bilateral trades posted a growth of 33% with 10,583 MUs as compared to 7,931 MUs during the previous year. Traded volumes on power exchanges were 20,372 MUs during FY18 as compared to 18,027 MUs during FY17 witnessing an increase of 13%. Further, your company has achieved Long & Medium term trading volume of 21,361 MUs (16,840 MUs in FY17), a growth of 30% over the previous year.

Cross-border trades have been of strategic importance to your company. This year, cross border transactions contributed 12.2% (6,962 MUs) of the total traded volumes in FY18. The cross-border trade with Bhutan was 4,710 MUs, Nepal was 65.39 MUs and with Bangladesh was 2,186.61 Mus in FY -2018.

PTC Retail as SBU, set up to facilitate power supply to industrial and commercial consumers has seen considerable growth this year. We have added reputed organizations like GAIL, ACC Cements, Ambuja, Durgapur Power Projects, Reliance, ONGC, MRF, L&T Metro Rail etc. in our client list. PTC Retail has also executed first inter-state open access transaction in Uttar Pradesh for industrial consumers.

Utilities have continued to repose their confidence in your company for managing their power portfolios. NDMC, Govt. of Himachal Pradesh, Dadra and Nagar Haveli, Indian Railways, Solar Energy Corporation of India (SECI)

etc. have executed Power Portfolio Management agreements with your company.

As the sector is increasing focus on power distribution performance improvement and reforms, your company is rendering technical and advisory support to power distribution business functions including power portfolio optimization (power trading and scheduling), commercial optimization (metering and billing), network operation and maintenance, and regulatory support. Across this domain, PTC is supporting large government institutions in Madhya Pradesh and Gujarat, and is in continuous pursuit of replicating this success for the benefit of customers.

Under the existing regulatory frameworks of power distribution, your company is also promoting pilot models for energy optimization in shipping industry and urban planning & development. Your company is actively pursuing various opportunities and is in discussions with diverse institutional stakeholders for facilitating them in implementing such pilot models taking cues from Central and State govt. driven objectives like Smart Cities, IPDS, Energy Efficiency Programs, Renewable Energy Programs, etc.

Your company is also actively rendering advisory services for development of T&D infrastructure by supporting key customers in preparation of DPRs, engineering and estimation, bid process management and project supervision. Your company has extended its client base to industries like Oil & Gas, Heavy Industries, and Special Economic Zones.

Our advisory services portfolio and knowledge base on power markets is also being extended to public institutional buyers and sellers willing to optimize energy trade and consumption, reduce emissions, and steer towards energy sustainability. PTC has presently rendered such services to units in Oil & Gas industry and Metallurgy, and will continue to extend its umbrella services to other industries.

Also, for rendering specialized services to institutions, PTC has entered into agreements with PFC Consulting and WAPCOS for rendering specialized & strategic advisory services to institutions.

With an in-house team, PTC has carried out energy audit services across key accounts including Indian Railways, Airports Authority of India, Satluj Jal Vidyut Nigam Limited, Marriot, Hindustan Aeronautics, Bharat Gears, Saint Gobain and Mineral Exploration Corporation among others. Your company has also been empaneled by EESL for preparation of Investment Grade Energy Audit Reports for Public Water Works and Sewerage Systems in Cities in India and is awarded works in States of Uttar Pradesh, Gujarat, Rajasthan, West Bengal, Haryana, and Karnataka. PTC has been engaged by EESL for Consultancy in Government of India's flagship Energy Efficient Street Light Program in Andhra Pradesh, and is administering 1.9 Lacs street lights across 42 Urban Local Bodies.

Bureau of Energy Efficiency has reposed its faith in your company and has extended MOU for joining hands under Energy Efficiency Financing Platform (EEFP) for a period of 3 years. Your company has also been empaneled with Kerala Energy Management Centre, Punjab Energy Development Agency (PEDA) and Petroleum Conservation Research Association (PCRA) for undertaking energy audits and energy efficiency services. Your company has also initiated its services in Energy Savings Certificates' trading and energy audits under Net Zero Energy Building scheme. Recognizing your company's initiatives in energy efficiency, CRISIL-the rating agency has uplifted ESCO grading to Grade-1 indicating "VERY HIGH" ability to undertake energy efficiency projects.

To share its knowledge base, your company organized programs for external stakeholders including capacity building program on power trading and markets for power utilities in South Asian countries (in the field of power trading and cross border trading) in association with US Energy Association (USEA). Another capacity building programme (for development of a power market) was organized for delegates from Ghana in association with African Development Bank (AfDB).

Renewable Energy

Under the MNRE and SECI scheme for procurement of 1000 MW power from wind power projects through competitive bidding, your company was selected as the trader partner and signed PPAs with five generating companies for procurement of 1,050 MW wind power. PTC also signed PSAs with seven state Discoms and Utilities for the entire quantum. PTC is also supporting SECI in managing the operational and commercial aspects of solar energy being traded through SECI under JNNISM Phase-I and scheduled 1216.88 MUs during FY18. In retail segment, your company executed its first renewable trading transactions (solar and biomass), for industrial/commercial customers in Rajasthan and Odisha respectively.

Your company in association with Kongsberg (Norway) has successfully implemented first of its kind Performance Monitoring and Generation Forecasting of Hydro Power Projects in Himachal Pradesh on pilot basis. Your company also launched first pilot Forecasting Model and Portfolio Management for Bihar for supporting them in load forecast, merit order dispatch, power procurement/sale, scheduling, etc. After successful completion of the pilot stage, commercial products are under development.

Customer Relationship Management

Your company values customer feedback to keep improving its products and services. PTC organized a customer interaction meet for Eastern Region customers and is actively incorporating the feedback received into its business practices.

During the year, PTC in association with CUTS Institute for Regulation and Competition (CIRC) conducted a study on latent demand in an Eastern Region state with primary and secondary research work. The findings were shared in the form of presentation to Eastern Region Constituents at the customer interaction meet.

PTC Subsidiaries:

PTC India Financial Services Limited (PFS) recorded revenue of ₹ 1,189.63 Crores during FY18 which is lower by 11.93% as compared to last year's revenue of ₹ 1,350.79 Crores. Last year's revenue includes ₹ 147.15 Crores as profit on sale & dividend income from investment. Interest income for FY18 remained steady at ₹ 1,112.75 Crores compared to previous year's ₹ 1,113.69 Crores. The profit before tax and profit after tax for FY18 stood at ₹ 104.94 Crores and ₹ 24.70 Crores respectively. Earnings per share for the financial year stood at ₹ 0.38 per share.

PEL has renewable energy portfolio of 288.8 MW consisting of 50 MW wind power projects in Madhya Pradesh, 50 MW wind power project in Karnataka and 188.8 MW wind power projects in Andhra Pradesh. The projects use leading edge wind turbine technologies from reputed OEMs. PEL has entered into firm long term power sale agreements for all of its projects with respective State Discoms and has been receiving payments from the Discoms.

Outlook

Going forward, your company intends to consolidate its core trading business. Renewable Energy will remain our thrust area with our efforts in trading, development and financing of renewable energy projects. To cater to the changing dynamics of the sector, expectations of customers and growth aspirations of your company, we will keep on augmenting offerings in the form of advisory, energy efficiency and other related services.

Risks and Concerns

Your Company has been diligently following a structured and disciplined approach to manage risk as outlined in its Risk Management Policy. Risk Reports and Risk Matrices for every business template is used to aid in decision making process. Your company's overall approach to Risk Management is aligned with the business objectives to ensure sustainable business growth. The risk management framework has further been strengthened by implementation of Group Exposure Norms. Company is committed to promote a proactive

approach in evaluating, resolving and reporting risks associated with its businesses.

Internal Control System and their accuracy

The Company has in place robust internal financial controls. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of the company's business, including adherence to the Company's policies, safeguarding of its assets, the prevention of and detection of fraud and errors, the accuracy & completeness of the accounting records and the timely preparation of reliable financial disclosures.

The Company has appointed M/s. Grant Thornton for review and validation of the framework.

Discussion on Financial Performance with respect to Operational Performance

On stand-alone basis, total Income from operations grew by 29.2% to ₹ 18,189.04 crores as against ₹ 14,074.83 crores in FY17. Your company clocked all time high trading volumes of 57,018 MUs which is 18% higher than last year. The profit after tax at ₹ 319.20 crores is higher by 9.7% as compared to the previous financial year. EPS increased to ₹ 10.78 as compared to ₹ 9.83 in FY17. On Consolidated basis, total Income from Operations grew by 28.3%

to ₹ 19,640.73 crores as against ₹ 15,310.55 crores in FY17. Profit After Tax was down 20.1% to ₹ 403.97 crores as against ₹ 505.81 crores in FY17 and EPS increased to ₹ 12.00 as compared to ₹ 14.01 in FY17.

Material developments in Human Resource / Industrial Relations front, including number of people employed

Your Company recognizes that people are its key resource. Human resources play a pivotal role in enabling smooth implementation of key strategic decisions through leadership and ethical progress. Your Company aims at providing an environment where continuous learning takes place to meet the changing demands and priorities of the business including emerging businesses. Your company has 99 employees with diverse experience and skill sets to manage your company and to take it to further heights.

For and on behalf of the Board

Sd/-

(Deepak Amitabh)

(Chairman & Managing Director)

DIN: 01061535

Place: New Delhi.

Date: 7th August, 2018

REPORT ON CORPORATE GOVERNANCE

As a listed Company and a good corporate entity, PTC 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 is about maximizing shareholder value legally, ethically and sustainably. At PTC, the goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. Our corporate governance report for fiscal 2018 forms part of this Annual report.

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 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.
- 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.

BOARD OF DIRECTORS

The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the Management. The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has vested with the requisite powers, authorities and duties.

SELECTION OF THE BOARD

In terms of the requirement of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 (hereinafter referred to as the 'Listing Regulations'), the Nomination & Remuneration Committee has been designated to evaluate the need for change in the composition and size of the Board of the Company and to select members to fill Board vacancies and nominating candidates for election by the shareholders at the Annual General Meeting.

COMPOSITION OF BOARD

The Board of Directors 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 Directors of the Company comprises of distinguished personalities including CMD, WTDs, nominee of the Ministry of Power, Government of India, Director level officers as nominee Directors from the Promoter Companies, nominee of LIC of India and Independent Directors of highly repute who are well known in their respective fields. As at the end of Financial Year 2017-18, the Board comprised of 13 Directors out of which one (1) is Chairman & Managing Director (CMD), two (2) are Whole Time Directors and ten (10) are Non-Executive Directors which constitutes four (4) Independent Directors and six (6) nominee Directors.

The current composition of Board of Directors of your company is as under:

| Category | Name of Director | Remarks |
|--|---------------------------------|-------------------|
| Chairman & Managing Director | Shri Deepak Amitabh | -- |
| Whole time Directors | Shri Ajit Kumar | -- |
| | Shri Rajib Kumar Mishra | -- |
| Nominee Directors (Non - Executive) | Shri Arun Kumar Verma | Nominee, MoP, GoI |
| | Shri Krishna Singh Nagnyal | Nominee- LIC |
| | Shri A.K. Gupta | Nominee- NTPC |
| | Shri Chinmoy Gangopadhyay | Nominee-PFC |
| | Shri Ravi Prakash Singh | Nominee-POWERGRID |
| | Shri Mahesh Kumar Mittal | Nominee- NHPC |
| Independent Directors | Ms. Bharti Prasad | -- |
| | Shri Jayant Purushottam Gokhale | -- |
| | Shri Rakesh Kacker | -- |
| | Ms. Sushama Nath | -- |
| | Sh. Suthirtha Bhattacharya | -- |
| | Sh. Devendra Swaroop Saksena | -- |

All Independent Directors of the Company qualify the conditions of their being independent and all the Independent Directors have also furnished the declaration of independence.

ATTENDANCE RECORDS AND OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIPS

The details of directorships held and committee membership/ chairmanship held and attendance of the directors at the Board Meetings and at the last Annual General Meeting is given below:-

| Sr. No | Name of the Director | Category of Director | Board Meetings in FY 2017-18 | | Attendance at Last AGM (held on 25/09/2017) | No. of Directorships in other companies held as on 31 st March, 2018 | No. of Committee Chairmanship/ Membership as on 31 st March, 2018 |
|--------|---|--------------------------------------|------------------------------|----------|---|---|--|
| | | | Held during the Tenure | Attended | | | |
| 1. | Shri Deepak Amitabh (DIN: 01061535) | Chairperson & Executive Director, | 6 | 6 | Y | 2 | - |
| 2. | Shri Ajit Kumar (DIN: 06518591) | Executive Director | 6 | 6 | Y | 2 | - |
| 3. | Shri Arun Kumar* (DIN: 01853255) | Executive Director | 5 | 5 | Y | N/A | - |
| 4. | Shri Rajib Kumar Mishra (DIN: 06836268) | Executive Director | 6 | 6 | Y | 2 | - |
| 5. | Shri Arun Kumar Verma@ (DIN: 02190047) | Non-Executive - Nominee Director | 3 | 2 | N | 2 | - |
| 6. | Shri. Anil Razdan ^ (DIN: 00356644) | Non-Executive - Independent Director | 5 | 5 | Y | N/A | - |
| 7. | Ms. Bharti Prasad@@ (DIN: 03025537) | Non-Executive - Independent Director | 1 | 1 | - | - | 2 |
| 8. | Shri Chinmoy Gangopadhyay (DIN: 02271398) | Non-Executive - Nominee Director | 6 | 4 | N | 9 | - |
| 9. | Shri. Dharendra Swarup ^ (DIN: 02878434) | Non-Executive - Independent Director | 5 | 5 | N | N/A | - |
| 10. | Shri. Harbans Lal Bajaj ^ (DIN: 00894431) | Non-Executive - Independent Director | 5 | 4 | Y | N/A | - |
| 11. | Smt. Jyoti Arora% (DIN: 00353071) | Non-Executive - Nominee Director | 2 | 0 | N/A | N/A | - |
| 12. | Shri Jayant Purushottam Gokhale (DIN: 00190075) | Non-Executive - Independent Director | 6 | 6 | N/A | 1 | 2 |
| 13. | Shri Krishna Singh Nagnyal (DIN: 06857451) | Non-Executive - Nominee Director | 5 | 3 | N | 1 | - |
| 14. | Shri. Kulamani Biswal** (DIN: 03318539) | Non-Executive - Nominee Director | 5 | 4 | N | N/A | - |
| 15. | Shri. Kalyan Prasad Gupta ^ ^ (DIN: 06925740) | Non-Executive - Nominee Director | 1 | 1 | N/A | 1 | - |
| 16. | Shri Mahesh Kumar Mittal (DIN: 02889021) | Non-Executive - Nominee Director | 6 | 5 | N | 2 | - |
| 17. | Shri Ravi Prakash Singh (DIN: 05240974) | Non-Executive - Nominee Director | 6 | 4 | N | 6 | - |
| 18. | Shri Rakesh Kacker (DIN: 03620666) | Non-Executive - Independent Director | 6 | 6 | Y | 1 | 1 |
| 19. | Ms. Sushama Nath (DIN: 05152061)## | Non-Executive - Independent Director | 1 | 1 | N/A | 1 | - |
| 20. | Shri Sutirtha Bhattacharya\$\$ | Non-Executive - Independent Director | 0 | 0 | N/A | - | - |
| 21. | Shri Devendra Swaroop Saksena \$\$\$ | Non-Executive - Independent Director | 0 | 0 | N/A | - | - |
| 22. | Shri A.K. Gupta (NTPC Nominee) ^ ^ ^ | Non-Executive - Nominee Director | 0 | 0 | N/A | - | - |

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

- * Cessation w.e.f. December 14, 2017
- @Appointed w.e.f. August 10, 2017
- ^ Cessation w.e.f. January 9, 2018
- %Cessation w.e.f. July 6, 2017

5. ** Cessation w.e.f. December 19, 2017
6. @@ Appointed w.e.f. December 20, 2017
7. ^^ Appointed w.e.f. January 01, 2018 and cessation w.e.f. 31st July, 2018
8. ## Appointed w.e.f. December 20, 2017
9. \$\$Appointed w.e.f. June 07, 2018
10. \$\$\$Appointed w.e.f. July 30, 2018
11. ^^^ Appointed w.e.f. 7th August, 2018
12. Y=Yes, N= No, N.A. = Not Applicable

The Number of Directorships, Chairmanships and Committee Memberships of each Director is in Compliance with the relevant provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

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.

As mandated by the SEBI (LODR) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"), none of the directors of the Company are members of more than ten Board level committees or are the Chairman of more than five Board level committees in other companies in which they are directors.

CHANGES IN DIRECTORSHIP OF THE COMPANY DURING THE FY 2017-18

During the Financial Year 2017-18, 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 Arun Kumar | Cessation | December 14, 2017 |
| 2 | Smt. Jyoti Arora | Cessation | July 06, 2017 |
| 3 | Shri Arun Kumar Verma | Appointment | August 10, 2017 |
| 4 | Shri Anil Razdan | Cessation | January 09, 2018 |
| 5 | Shri Dharendra Swarup | Cessation | January 09, 2018 |
| 6 | Shri Harbans Lal Bajaj | Cessation | January 09, 2018 |
| 7 | Shri Kulamani Biswal | Cessation | December 19, 2017 |
| 8 | Shri Kalyan Prasad Gupta | Appointment | January 01, 2018 |
| 9 | Ms. Bharti Prasad | Appointment | December 20, 2017 |
| 10 | Ms. Sushama Nath | Appointment | December 20, 2017 |

BOARD MEETINGS

The Board meets at least once in every quarter to discuss and decide on inter alia business strategies/ policies and review the financial performance of the Company and its subsidiaries and other items on agenda. Additional meetings are held from time to time as and when necessary.

The notice of each Board Meeting is given in writing to each director of the Company. The agenda along with the relevant notes and other material information are sent to each director in advance and in exceptional cases tabled at the meeting which includes price sensitive information.

Also, the Board meetings of the Company have been held with proper compliance of the provisions of Companies Act, 2013, Listing Regulations and Secretarial Standards, as applicable thereon.

During the financial year ended 31st March 2018, the Board met six (6) times as against the minimum requirement of four Board Meetings.

The details of the Board Meeting held during the financial year 2017-18 are as under:-

| Sr. No. | Date | Board strength | Number of Directors present |
|---------|-------------------|----------------|-----------------------------|
| 1. | April 29, 2017 | 14 | 13 |
| 2. | May 27, 2017 | 15 | 11 |
| 3. | August 10, 2017 | 14 | 12 |
| 4. | October 12, 2017 | 15 | 15 |
| 5. | November 09, 2017 | 15 | 11 |
| 6. | February 10, 2018 | 13 | 12 |

Details of attendance of each director at the meeting of the board of directors:

| NAME of Director | 29-Apr-17 | 27-May-17 | 10-Aug-17 | 12-Oct-17 | 09-Nov-17 | 10-Feb-18 |
|---------------------------|-----------|-----------|---------------------------|-----------|-----------|--------------------------|
| Shri. Deepak Amitabh | Yes | Yes | Yes | Yes | Yes | Yes |
| Dr. Rajib Kumar Mishra | Yes | Yes | Yes | Yes | Yes | Yes |
| Shri. Ajit Kumar | Yes | Yes | Yes | Yes | Yes | Yes |
| Shri Arun Kumar | Yes | Yes | Yes | Yes | Yes | Ceased w.e.f. 14.12.2017 |
| Smt. Jyoti Arora | No | No | Ceased w.e.f. 06.07.2017 | - | - | - |
| Shri Arun Kumar Verma | - | - | Joined, w.e.f. 10.08.2017 | Yes | No | Yes |
| Shri. Anil Razdan (I.D) | Yes | Yes | Yes | Yes | Yes | Ceased w.e.f. 09.01.2018 |
| Shri. D. Swarup (I.D) | Yes | Yes | Yes | Yes | Yes | Ceased w.e.f. 09.01.2018 |
| Shri. Rakesh Kacker (I.D) | Yes | Yes | Yes | Yes | Yes | Yes |
| Shri. H.L. Bajaj (I.D) | Yes | Yes | Yes | Yes | No | Ceased w.e.f. 09.01.2018 |

| NAME of Director | 29-Apr-17 | 27-May-17 | 10-Aug-17 | 12-Oct-17 | 09-Nov-17 | 10-Feb-18 |
|---------------------------------------|-----------------------------|-----------|-----------|-----------|-----------------------------|------------------------------|
| Shri Jayant Purushottam Gokhale (I.D) | Yes | Yes | Yes | Yes | Yes | Yes |
| Shri. K. S. Nangnyal (LIC) | Joined w.e.f. 29-04-2017 | No | Yes | Yes | No | Yes |
| Shri Kulamani Biswal | Yes | Yes | No | Yes | Yes | ceased w.e.f. 19.12.2017- |
| Shri K.P. Gupta (NTPC) | - | - | - | - | joined w.e.f. 01.01.2018 | Yes |
| Shri Chinmoy Gangopadhyay. (PFC) | Yes | No | Yes | Yes | Yes | No |
| Shri Mahesh Kumar Mittal. (NHPC) | Yes | Yes | No | Yes | Yes | Yes |
| Shri. Ravi Prakash Singh (PGCIL) | Yes | No | Yes | Yes | No | Yes |
| Ms. Bharti Prasad | - | - | - | - | Joined w.e.f. 20-12-2017 | Yes |
| Ms. Sushama Nath | - | - | - | - | Joined w.e.f. 20-12-2017 | Yes |

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 shorter 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, 2013, SEBI Guidelines, Listing Regulations, 2015, 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 by concerned Department Heads to the Chairman for obtaining approval. 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.

- 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 draft minutes of each Board/ Committee meeting are circulated amongst the Board/ Committee members for their comments and thereafter final minutes are also circulated and thereafter, placed the same in the next Board Meeting/ committee meeting for their noting/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.

DISCLOSURES

- Inter-se relationships between Directors and Key Managerial Personnel of the Company: NIL
- Number of Shares and Convertible Instruments held by Non - Executive Directors: NIL

SEPARATE MEETING FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company meet at least once in a calendar year without the presence of Executive Directors and Management Personnel. Such Meeting reviews the performance of Non-Independent Directors and the Board as a whole, review the performance of Chairman of the Board, access the quality, quantity and time lines of the flow of information between management and the Board that is necessary for it to effectively and reasonably perform its duties. A meeting of Independent Directors was held on 27-07-2017, 10-08-2017, 20-09-2017 & 06-01-2018 without the presence of any other director or any personnel of the Company.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter-alia explains the role, functions,

duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act 2013, the Listing Regulations and other relevant rules & regulations. The Chairman & Managing Director also has one to one discussion with the newly appointed director to familiarize him/her with the Company's Operations. The Board Members are provided with necessary documents, reports and policies to enable them to familiarize with the Company's Procedures and Practices. Periodic presentations are made at the Board and Committee Meetings on Business and performance update of the Company.

The familiarization program has been uploaded on the website of the Company at www.ptcindia.com.

COMMITTEES OF THE BOARD OF DIRECTORS

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

- Audit Committee
- Nomination & Remuneration / Compensation (ESoP) Committee
- Stakeholders Relationship Committee / Code of Ethics And Prohibition of Insider Trading Committee
- Corporate Social Responsibility Committee

In addition to above statutory committees, Investment Committee, the Group of Directors for Business Development is also there and Board, from time to time, for specific purposes constitute Group of Directors as may be required.

2.1 AUDIT COMMITTEE

a) COMPOSITION

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and the provisions of the Listing Regulations, Audit Committee has been constituted by the Board of Directors.

The Committee comprises of the following Independent Directors:

| Sr. No. | Name of the Committee Member | Designation | Status |
|---------|--------------------------------|-------------|----------------------|
| 1. | Shri Jayant Purshottam Gokhale | Chairman | Independent Director |
| 2. | Shri Rakesh Kacker | Member | Independent Director |
| 3. | Ms. Bharti Prasad | Member | Independent Director |
| 4. | Ms. Sushama Nath | Member | Independent Director |

Shri Rajiv Maheshwari, Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on September 25, 2017.

b) Terms of Reference

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

- a. Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment or removal of the statutory auditor and the fixation of audit fees.
- c. 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 Listing Regulations and Section 177 of the Companies Act, 2013. The CFO, Representatives of Internal auditors and statutory auditors of the Company attend 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 to 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

During the year 2017 - 18, the Committee met four (4) times i.e. May 27, 2017, August 10, 2017, November 09, 2017 and February 10, 2018.

The details of Committee meeting and its members attendance during FY 2017-18 is mentioned below:-

| Sr. No. | Name of Director | Audit Committee Meetings | |
|---------|---------------------------------|--------------------------|----------|
| | | Held during the Tenure | Attended |
| 1. | Shri Dharendra Swarup# | 3 | 3 |
| 2. | Shri Anil Razdan# | 3 | 3 |
| 3. | Shri Rakesh Kacker | 4 | 4 |
| 4. | Shri Jayant Purushottam Gokhale | 4 | 4 |
| 5. | Shri. Kulamani Biswal## | 3 | 2 |
| 6. | Ms. Bharti Prasad* | 1 | 1 |
| 7. | Ms. Sushama Nath* | 1 | 1 |

Shri Dharendra Swarup & Shri Anil Razdan has completed his tenure and ceased to be member w.e. f. January 09, 2018

Shri Kulamani Biswal ceased to be member of Committee w.e.f. December 19, 2017

* Ms. Bharti Prasad & Ms. Sushama Nath appointed as a Member of Committee w.e.f. January 19, 2018

2.2 NOMINATION & REMUNERATION / COMPENSATION (ESOP) COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the provisions of the Listing Regulations, Nomination & Remuneration Committee has been constituted by the Board of Directors.

a) The Committee comprises of following Directors:

| Sr. No. | Name of Committee Member | Designation | Status |
|---------|--------------------------|-------------|--------------------------|
| 1 | Shri. Rakesh Kacker | Chairperson | Independent Director |
| 2 | Shri Deepak Amitabh | Member | Executive Director (CMD) |
| 3 | Shri Arun Kumar Verma | Member | Non-Executive Director |
| 4 | Ms. Sushama Nath | Member | Independent Director |

Shri Rajiv Maheshwari, Company Secretary acts as the Secretary to the Committee. The Committee is Chaired by an Independent Director.

The Composition of the Nomination and Remuneration is as per Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

b) Terms of Reference

The terms of reference of Nomination & Remuneration Committee includes:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal;

- To carry out evaluation of every Director's performance;

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;

- To formulate the criteria for evaluation of Independent Directors and the Board;

- To devise a policy on Board diversity;

- To recommend/ review remuneration of the Managing Director(s) and Whole time Director(s) based on their performance and defined assessment criteria;

- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme.

PERFORMANCE EVALUATION OF DIRECTORS (including Independent Directors)

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, its committees and individual directors including Chairman of the Board. The exercise was carried through a structured evaluation process covering various aspects of the Board including committees and every Directors functioning such as composition of Board and committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

The Directors express their satisfaction with the evaluation process.

c) Number of Committee Meetings and Attendance

During the year 2017 - 18, the N&R Committee met Five (5) times

i.e. July 27, 2017, September 20, 2017, October 07, 2017, December 04, 2017 and March 27, 2018 were held during FY 2017-18.

The details of Committee meeting and its members attendance during FY 2017-18 is mentioned below:-

| Sr. No. | Name of Director | N & R Committee Meetings | |
|---------|--------------------------|--------------------------|----------|
| | | Held during the Tenure | Attended |
| 1. | Shri Anil Razdan* | 4 | 4 |
| 2. | Shri Deepak Amitabh | 5 | 4 |
| 3. | Shri Arun Kumar Verma** | 4 | 3 |
| 4. | Shri D. Swarup* | 4 | 4 |
| 5. | Shri. Harbans Lal Bajaj* | 4 | 4 |
| 6. | Shri. Kulamani Biswal* | 4 | 3 |
| 7. | Shri Rakesh Kacker@ | 1 | 1 |
| 8. | Ms. Sushama Nath ^ | 1 | 1 |

* Shri Anil Razdan ceased to be the director and member/ chairman of this committee w.e.f 09th January, 2018. Shri D. Swarup, Shri Harbans Lal Bajaj ceased to be member w.e.f. 9th January, 2018 and Shri Kulamani Biswal ceased to be member w.e.f. 19th December, 2017.

@ Shri Rakesh Kacker appointed as a member and Chairman of Committee w.e.f. February 10, 2018,

**Shri Arun Kumar Verma appointed as a member of the Committee w.e.f. August 10, 2017

^ Ms. Sushama Nath appointed as a member of the Committee w.e.f. February 10, 2018

REMUNERATION

Detail of Remuneration to Chairman & Managing Director and Whole-time Directors of the Company during FY 2017-18

The appointment and remuneration of executive directors including Chairman & Managing Director and Whole Time Directors is governed by the recommendations of the Nomination & Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package and terms and conditions of appointment of Chairman & Managing Director and Whole Time Directors are governed by the respective appointments. Their remuneration package comprises of salary, perquisites and PRP, after due approval.

The details of remuneration paid to CMD and WTDs during the financial year ended 31st March 2018 is as under:

| Sr. No. | Director | Designation | Remuneration (figures in ₹ crore) FY 2017-18 |
|---------|-------------------------|---|--|
| 1. | Shri Deepak Amitabh | CMD | 1.51 |
| 2. | Shri Rajib Kumar Mishra | Director (Marketing & Business Development) | 1.10 |
| 3. | Shri Ajit Kumar | Director (Commercial & Operation) | 1.10 |
| 4. | Shri Arun Kumar* | Director (Finance) & HR | 0.80 |

*Till 13th December 2017

Presently, the Company does not have a scheme for grant of stock options to any director. The CTC structure of PTC including for management is mix of fixed and performance linked. As per the contract entered into with the executive directors, there is a notice period of 3 months and there is no severance fee to be paid to the directors. Further, none of the directors of the company was in receipt of any remuneration from its subsidiary companies during the period.

None of the above Director is holding any stock options.

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

The details of remuneration paid to non-executive directors and Independent Directors during the financial year ended 31st March 2018 is as under:

| Sr. No. | Name of the Director | Designation | Remuneration (figures in ₹ crore) FY 2017-18 |
|---------|----------------------------------|----------------------|--|
| 1. | Shri Anil Razdan* | Independent Director | 0.08 |
| 2. | Shri Arun Kumar Verma** | Non-Executive | NA |
| 3. | Ms. Bharti Prasad# | Independent Director | 0.02 |
| 4. | Shri. Chinmoy Gangopadhyay | Non-Executive | 0.03 |
| 5. | Shri Dharendra Swarup* | Independent Director | 0.08 |
| 6. | Shri H.L. Bajaj* | Independent Director | 0.06 |
| 7. | Smt. Jyoti Arora\$ | Non-Executive | NA |
| 8. | Shri. Jayant Purushottam Gokhale | Independent Director | 0.07 |
| 9. | Shri. K. Biswal ^ ^ | Non-Executive | 0.04 |
| 10. | Shri Kalyan Prasad Gupta@ | Non-Executive | 0.01 |
| 11. | Shri Krishna Singh Nagnyal## | Non-Executive | 0.01 |
| 12. | Shri Mahesh Kumar Mittal | Non-Executive | 0.02 |
| 13. | Shri R P Singh | Non-Executive | 0.02 |
| 14. | Shri Rakesh Kacker | Independent Director | 0.08 |
| 15. | Smt. Sushama Nath# | Independent Director | 0.02 |

* Shri Anil Razdan, Shri D. Swarup & Shri H.L. Bajaj ceased to be Director w.e.f. January 9, 2018

\$Smt. Jyoti Arora ceased to be Director w.e.f. July 6, 2017

^ ^ Shri K. Biswal ceased to be Director w.e.f. December 19, 2017

**Shri Arun Kumar Verma appointed as Director w.e.f. August 10, 2017

@ Shri Kalyan Prasad Gupta appointed as Director w.e.f. January 1, 2018

Smt. Bharti Prasad and Smt. Sushma Nath appointed to be Director w.e.f. December 20, 2017

Shri Krishna Singh Nagnyal appointed as Director w.e.f. April 29, 2017

Note:- The sitting fee for attending the meetings by the nominee of Promoters and LIC of India are paid to their respective organizations.

2.3 STAKEHOLDERS RELATIONSHIP COMMITTEE & CODE OF ETHNICS & PROHIBITIONS TO INSIDER TRADING

The composition of the Committee is as follows:

| Sr. No. | Name of the Director | Designation | Status |
|---------|---------------------------------|-------------|----------------------|
| 1 | Shri Harbans Lal Bajaj * | Chairperson | Independent Director |
| 2 | Ms. Bharti Prasad# | Chairperson | Independent Director |
| 3 | Shri Ravi Prakash Singh | Member | Non - Executive |
| 4 | Shri Jayant Purushottam Gokhale | Member | Independent Director |

* Shri. Harbans Lal Bajaj ceased to be the director and member/ chairman of this committee w.e.f. 9th January, 2018.

#Ms. Bharti Prasad appointed as Chairman of this committee w.e.f. 10th February, 2018.

Shri A.K. Gupta has joined as member w.e.f. 7th August, 2018

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

a) Name & Designation of Compliance Officer

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

b) 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.

c) Investors Complaints received and resolved during the year

During the year 2017-18, 138 complaints were received. All were duly addressed. As on 31st March 2018, NIL complaints were pending.

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

| Sr. No. | Year | Number of Complaints Received* |
|---------|---------|--------------------------------|
| 1 | 2017-18 | 138 |
| 2 | 2016-17 | 163 |
| 3 | 2015-16 | 208 |

*All complaints were resolved

The Committee meets as per the requirements.

2.4 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of the Committee is as follows:

In compliance with the provisions of Section 135 of Companies Act, 2013, a Corporate Social Responsibility Committee has been constituted

| Sr. No. | Name of Director | Designation | Status |
|---------|------------------|-------------|----------------------|
| 1 | Shri D. Swarup* | Chairperson | Independent Director |

| Sr. No. | Name of Director | Designation | Status |
|---------|----------------------------|-------------|--------------------------|
| 2 | Ms. Bharti Prasad** | Chairperson | Independent Director |
| 3 | Shri Deepak Amitabh | Member | Executive Director |
| 4 | Shri. Chinmoy Gangopadhyay | Member | Non - Executive Director |

*Shri. D. Swarup ceased to be the Director and Member of this committee w.e.f 9th January 2018.

** Appointed as Chairperson w.e.f. 10th February 2018.

Shri D.S. Saxena has joined as member w.e.f. 7th August, 2018

Terms of Reference

The Corporate Social Responsibility Committee shall

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy of the company from time-to-time.

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

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

To attain its CSR objectives in a professional and integrated manner, PTC shall undertake the CSR activities as specified under the Act.

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

The CSR Policy is available at the link: <http://www.ptcindia.com/pdf/corporate-social-responsibility-policy.pdf>.

2.5 CODE OF ETHICS & PROHIBITION OF INSIDER TRADING

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.

Terms of Reference

2.6 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 2017-18

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.

ETHICS / GOVERNANCE POLICIES

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has framed and adopted a Code of Business conduct and Ethics ('the code'). The Company has in place a comprehensive Code of Conduct applicable to all employees and Directors. The code gives guidance and support needed for ethical conduct of business and compliance of laws. The code reflects the values of the Company viz. Company value, Ownership Mind-set, Respect, Integrity, One team and excellence.

A Code of conduct for Directors and Senior Management is available on the Company website www.ptcindia.com.

The code has been circulated to Directors and senior officers of the Company, which has been complied with by the Board members and senior officers of the Company and same is confirmed.

All members of the Board, the executive directors and senior officers have affirmed compliance to the Code as on 31st March, 2018.

CODE FOR PREVENTION OF INSIDER TRADING

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a comprehensive 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.

Subsidiary Monitoring Framework

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

- Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed by the Audit Committee of the Company.
- All minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board on regular basis.

7. GENERAL BODY MEETINGS

ANNUAL GENERAL MEETING (AGM)

a) 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 |
|----------------|---------------------|---------------------|---|----------------------------|
| 2014-15 | September 24, 2015 | 12:30 p.m. | Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt, New Delhi- 110010 | No |

| Financial Year | Date of the Meeting | Time of the Meeting | Venue of the Meeting | Special resolutions passed |
|----------------|---------------------|---------------------|---|----------------------------|
| 2015-16 | September 28, 2016 | 12:30 p.m. | Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt, New Delhi- 110010 | No |
| 2016-17 | September 25, 2017 | 02:30 p.m. | Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt, New Delhi- 110010 | No |

b) Special Resolution passed through Postal Ballot: During the year 2017-18, no Special Resolution has been passed through Postal Ballot.

c) Special Resolution proposed to be conducted: There is no Special Resolution proposed to be conducted through Postal Ballot.

The company did not held any Extra-Ordinary General Meeting of the Shareholders during FY 2017-18.

8. MEANS OF COMMUNICATION & WEBSITE

(a) Quarterly/Annual Financial Results/Half Yearly: Quarterly/ Annual Financial Results/Half Yearly of the Company are generally published in One English and One Hindi News Paper (Financial Express and Jansatta) and are displayed on the Company's website www.ptcindia.com.

(b) Website: The Company's website 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

(d) Presentations made to institutional investors or to the analysts- Presentations are made to institutional investors and analysts on the Company's audited annual financial results

9. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting (AGM)

| | |
|-------------|---|
| Meeting No. | 19 th |
| Date | September 20, 2018 |
| Time | 12:30 P.M. |
| Venue | Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt, New Delhi- 110010 |

b) Tentative Financial Calendar for year ended 31st March, 2019

| Particulars | Date |
|---|---|
| 1. Financial Year | 1 st April, 2018 to 31 st March, 2019 |
| 2. Un-audited Financial for first three Quarters | Results Announcement will be in compliance with the Listing Regulations |
| 3. Annual Financial Results within 60 days from the end of financial year | Will be announced and published |

c) Payment of Dividend

➤ Final Dividend details for financial year 2017-18

The Board of Directors in its meeting held on May 16, 2018 has recommended a dividend @ 40% i.e. ₹ 4 per Equity Share (on the face value of ₹ 10/- each) for the Financial Year 2017-18, 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 ₹ | Rate of Dividend (%) |
|---------|----------------|----------------------------|----------------------|
| 1 | 2016-17 | 296,00,83,210 | 30 |
| 2 | 2015-16 | 296,00,83,210 | 25 |
| 3 | 2014-15 | 296,00,83,210 | 22 |
| 4 | 2013-14 | 296,00,83,210 | 20 |
| 5 | 2012-13 | 296,00,83,210 | 16 |

d) Book Closure

AGM is on 20th September, 2018. The book closures dates of the Company are from 31st August, 2018 to 20th September, 2018 (both days inclusive) for the purpose of payment of dividend for the FY 2017-18. .

e) Pay- out Date for Payment of Final Dividend

The final dividend on equity shares, as recommended by the Board of Directors, 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 first date of book closure or in the list of beneficial holders provided by NSDL/ CDSL.

f) Unpaid/ Unclaimed Dividend

All the unpaid / unclaimed dividend upto the financial year 2009-10 have been transferred to Investor Education and Protection Fund (IEPF). No claims will lie against the Company or the Fund in respect of unclaimed amount so transferred.

The unclaimed dividend declared in respect of the financial year 2010-11 is due to be transferred to the Investor Education and Protection Fund.

As on 31st March 2018, the following dividend amount was remained unpaid:

| Year | Type | Dividend Per Share (₹) | Date of Declaration | Amount (₹) |
|---------|-------|------------------------|----------------------|------------|
| 2010-11 | Final | 1.5 | 28th September, 2011 | 11,59,984 |
| 2011-12 | Final | 1.5 | 21st September, 2012 | 14,56,193 |
| 2012-13 | Final | 1.6 | 19th August, 2013 | 13,97,613 |
| 2013-14 | Final | 2.0 | 26th September 2014 | 17,69,466 |
| 2014-15 | Final | 2.2 | 24th September 2015 | 24,28,066 |
| 2015-16 | Final | 2.5 | 28th September, 2016 | 22,58,238 |
| 2016-17 | Final | 3.0 | 25th September, 2017 | 27,39,381 |

g) Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to provisions of Section 205A(5) of Companies Act, 1956, the declared dividend for FY 2009-10 amounting to ₹ 6,78,240.00/- and which remain unclaimed/unpaid for the period of seven years has been transferred by the Company to Investor Education and Protection Fund (IEPF), established by Central Government.

h) 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. | PTCEQ | INE877F01012 |
| BSE Limited | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 | 532524 | |

i) Listing Fees

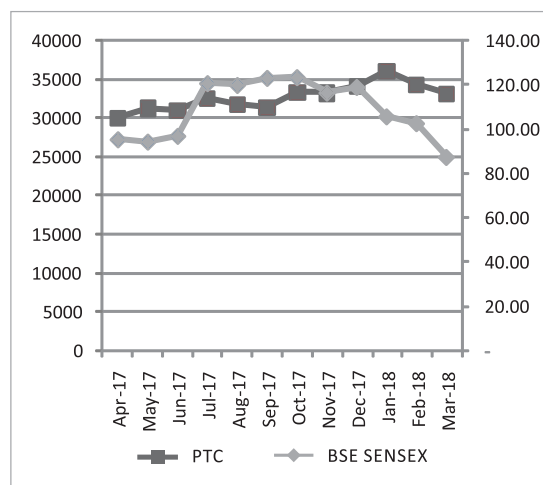
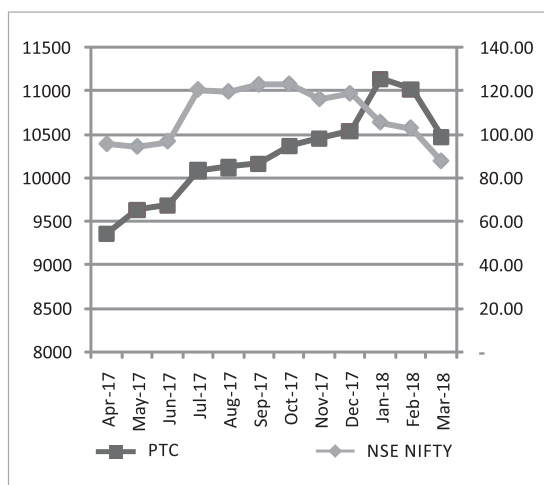
Annual Listing Fee for FY 2018-19 (as applicable) has been paid by the Company to both the Stock Exchanges. Further the Company has also paid the annual Custody Fee to National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

j) 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 2018 were as follows:

| Month | BSE | | NSE | |
|---------------|--------|--------|--------|--------|
| | High | Low | High | Low |
| April- 17 | 100.00 | 92.50 | 100.10 | 92.65 |
| May -17 | 105.30 | 88.80 | 105.25 | 88.55 |
| June -17 | 99.45 | 91.25 | 99.80 | 91.25 |
| July -17 | 121.25 | 94.90 | 121.30 | 95.05 |
| August -17 | 124.85 | 102.00 | 124.15 | 102.00 |
| September -17 | 130.20 | 114.55 | 130.45 | 114.30 |
| October -17 | 126.75 | 116.80 | 126.60 | 116.85 |
| November -17 | 128.30 | 112.50 | 128.20 | 112.40 |
| December -17 | 119.45 | 106.55 | 119.55 | 105.40 |
| January -18 | 122.35 | 104.35 | 122.40 | 104.30 |
| February -18 | 106.6 | 90.05 | 106.55 | 90.00 |
| March -18 | 103.4 | 82.75 | 103.35 | 82.60 |

k) Performance in comparison to broad - based indices such as BSE sensex, CRISIL Index etc



l) Registrar & Share Transfer agent

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

m) Share Transfer System

MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent for handling the share registry work relating to shares held in physical and electronic form at single point. The applications and request received by the Registrar and Share Transfer Agent for the transfer of shares held in physical form are processed and the share certificate for the same are sent to the transferee within the stipulated period. A summary of all the transfers, transmissions, deletion requests, etc. approved by the Stakeholders Relationship Committee is placed before the Board of Directors from time to time.

Further pursuant to regulation 40(9) of SEBI Listing Regulations, 2015 and clause 47(c) of erstwhile 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.

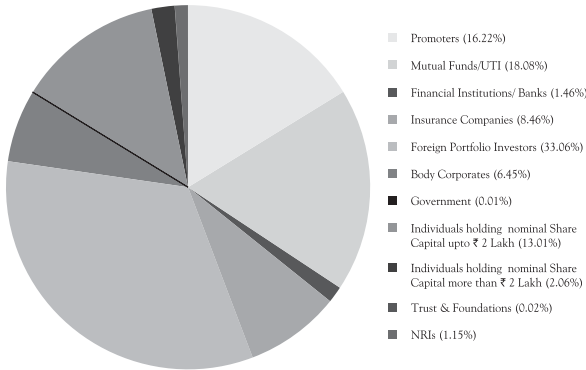
n) Distribution of shareholding as on 31st March, 2018

➤ Distribution by Category

| Description | No. of Cases | Total Shares | % of Equity |
|--|--------------|--------------|-------------|
| Promoters | 4 | 4,80,00,000 | 16.22 |
| Mutual Funds/ UTI | 47 | 5,35,19,349 | 18.08 |
| Financial Institutions/ Banks | 13 | 43,31,782 | 1.46 |
| Insurance Companies | 7 | 2,50,54,838 | 8.46 |
| Foreign Portfolio Investors | 139 | 97863123 | 33.06 |
| Bodies Corporates | 1216 | 19106744 | 6.45 |
| Government | 1 | 37392 | 0.01 |
| Individuals :- | 141085 | 3,85,07,063 | 13.01 |
| (1) Individuals holding nominal Share Capital upto ₹ 2 Lakh | | | |
| (2) Individuals holding nominal Share Capital more than ₹ 2 Lakh | 89 | 61,04,941 | 2.06 |

| Description | No. of Cases | Total Shares | % of Equity |
|-------------------------------------|---------------|---------------------|-------------|
| Others:- (1) Trust & Foundations | 15 | 63,891 | 0.02 |
| (2) NRIs | 1994 | 34,16,548 | 1.15 |
| (3) NBFCs registered with RBI | 4 | 2,650 | 0.0009 |
| Total | 144614 | 29,60,08,321 | 100 |

Graphical Representation of Shareholding Pattern of the company on the basis of distribution by category as on 31st March, 2018



➤ Distribution by size
As on 01.04.2018

| Range of Equity Shares held | Folios | % of Shareholders | Total No. of Shares | % of Shares |
|-----------------------------|---------------|-------------------|---------------------|-------------|
| 1 - 500 | 129753 | 89.72% | 16318390 | 5.51% |
| 501 - 1000 | 8278 | 5.72% | 6805988 | 2.30% |
| 1001 - 2000 | 3406 | 2.36% | 5247520 | 1.77% |
| 2001 - 3000 | 1134 | 0.78% | 2937231 | 1.00% |
| 3001 - 4000 | 458 | 0.32% | 1672991 | 0.57% |
| 4001 - 5000 | 409 | 0.28% | 1948153 | 0.66% |
| 5001 - 10000 | 582 | 0.40% | 4313042 | 1.46% |
| 10001 - 50000 | 374 | 0.26% | 7763743 | 2.62% |
| 50001 - 100000 | 64 | 0.04% | 4576138 | 1.55% |
| 100001 - Above | 156 | 0.11% | 244425125 | 82.57% |
| Total | 144614 | 100% | 296008321 | 100% |

Nominal Value of each Share is ₹ 10/-

o) 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, 2018, 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, 2018, 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, 2018:

| Category | No. of Holders | No. of Shares | % of total Shares Issued |
|--------------|----------------|------------------|--------------------------|
| Physical | 4860 | 10025866 | 3.39% |
| NSDL | 91728 | 258569586 | 87.35% |
| CDSL | 48026 | 27412869 | 9.26% |
| Total | 144614 | 296008321 | 100% |

p) Shares Liquidity

The trading volumes at the Stock Exchanges, during the financial year 2017-18, are given below:

| Months | National Stock Exchange of India Limited | Bombay Stock Exchange Limited |
|-----------------|--|-------------------------------|
| | Number of Shares Traded | Number of Shares Traded |
| April, 2017 | 33773461 | 3879754 |
| May, 2017 | 52750284 | 4819040 |
| June, 2017 | 30733301 | 2976921 |
| July, 2017 | 77038780 | 10383038 |
| August, 2017 | 50058216 | 5359486 |
| September, 2017 | 67760054 | 8844707 |
| October, 2017 | 36242294 | 3238494 |
| November, 2017 | 41117489 | 4962169 |
| December, 2017 | 39074280 | 3640242 |
| January, 2018 | 33606560 | 3485299 |
| February, 2018 | 31061004 | 2467465 |
| March, 2018 | 49032905 | 4070001 |

q) 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.

r) 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

s) 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 Regulation of the Listing Regulations, is annexed hereinafter. However, the current composition of Board is not in conformity of these regulations.

t) Corporate Identity Number

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

Dividend Distribution Policy

In pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted dividend distribution policy and the same is appended herewith this report as Annexure 1 and has also been placed on the website of the Company.

10. DISCLOSURES

a) **Materially Significant Related Party Transactions**

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 arm's length basis and are intended to further the interests of the Company.

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

There have been no instances of non-compliances by the company and no penalties, strictures imposed on the company have been imposed by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years-

However, at present composition of Board is not in line with the SEBI regulations.

c) **Vigil Mechanism/Whistle Blower Policy**

The Company has formulated a Whistle Blower policy and affirms that no personnel has been denied access to the audit.

d) **Details of Compliance with Mandatory requirements and adoption of the Non – Mandatory Requirements**

All mandatory requirements of Listing Regulations have been appropriately complied with and the status of non – mandatory requirements is given below:

The Chairman of the Company is an Executive Chairman and hence the provisions for Non – Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with. However, the current composition of Board is not in conformity of these regulations.

The Financial Statements are free from any Audit Qualifications.

e) **Policy on Material Subsidiary**

The Company has adopted a policy on material subsidiaries. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiaries is available on the website of the Company i.e. www.ptcindia.com.

f) **Related Party Transaction Policy**

In line with requirement of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Related Party Transaction Policy. This policy is also available at Company's website at http://www.ptcindia.com/statutory_information/Policy-on-materiality-of-Related-Party-Transactions-and-also-on-dealing-with-Related-Party-Transactions.pdf

The policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and related Parties. The policy specifically deals with the review and approval of Material Related Party transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a statement on all related party transactions is presented before the Audit Committee on a quarterly basis for its review.

g) **Disclosures of Commodity Price Risks and Commodity Hedging Activities- N/A**

11. NON – COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS

The current composition of Board is not in conformity of these regulations. The Company has initiated the process for compliance.

12. DISCRETIONARY REQUIREMENTS

The Company has adopted non-mandatory requirements as per details given below as mentioned under Part E of the Schedule II.

- A. **The Board:** The Company has an executive chairman on its Board.
- B. **Shareholder Rights:** The quarterly/half yearly/annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means of Communication" of the Corporate Governance Report and also displayed on the website of the Company. The results are separately circulated to the shareholders.
- C. **Modified Opinion (s) in audit report:** The auditor has given unqualified report for the financial year ended 31st March, 2018
- D. **Separate post of Chairman and CEO:** The Company does not have separate persons to the post of Chairman and Managing Director & CEO
- E. **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.
- x) **Plant Locations or any manufacturing division**
Company doesn't have any material plant or manufacturing division.

For and on behalf of the Board
PTC India Limited

Sd/-

(Deepak Amitabh)

Chairman & Managing Director

Date : 7th August, 2018
Place : New Delhi

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined the compliance of conditions of Corporate Governance by PTC India Limited ("the Company"), for the year ended on March 31, 2018, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred as "Listing Regulations"), pursuant to the listing agreement of the said company with stock exchanges.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, pursuant to listing agreement of the said company with stock exchanges, subject to the following observations:

1. Compliance conditions of Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 w.r.t appointment of requisite No. of Independent Directors on the Board of the Company has not been complied by the Company for the period ended March 31, 2018. The Board of Directors of the Company is not duly constituted in terms of Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 i.e. since Chairman of the Company is executive, at least half of the Board of Directors should comprise of Independent Directors.

However, the Company was compliant in terms of provisions under section 149(4) of the Companies Act, 2013 ("Act") as out of 14 Board of Directors there were 5 Independent Directors on the Board of the Company. The Changes in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

2. As per Regulation 17(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, w.r.t the Company's composition of board of directors, the Company did not have a woman director on its Board from July 7, 2017 to December 19, 2017. However, subsequently the Company has appointed the woman director.

I 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
Unique Code Number: S2007DE093800

Sd/-
Ashish Kapoor
Proprietor
C.P. No.: 7504

Place: New Delhi
Date: 7th August, 2018

**DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE
ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT**

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

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

Date : 7th August, 2018
Place : New Delhi

For and on behalf of the Board
PTC India Limited

Sd/-
(Deepak Amitabh)
Chairman & Managing Director

PTC India Limited CEO & CFO Certificate

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of 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 internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
CFO

Sd/-
CEO

Place: New Delhi
Dated: 16th May, 2018

DIVIDEND DISTRIBUTION POLICY

1. Objectives & Scope

This Dividend Distribution Policy (hereafter referred as “Policy”) lays down a broad framework which will act as the set of guiding principles for the purpose of recommending or declaring any dividend during or for any financial year by the Company.

The Policy aims at balancing the twin objectives of the growth of the Company and Shareholders’ value.

Through this Policy, the Company endeavors to bring a fair, transparent and consistent approach to its dividend pay-out plans. The Policy has been framed broadly in line with the provisions of the Companies Act, 2013 and also taking into consideration guidelines issued by SEBI/ RBI/and other regulations, to the extent applicable.

The Policy is a general declaration of intention and the actual declaration of dividend will require corporate action at the time a decision is taken, depending on the precise circumstances at that point of time.

In addition, payment of any such dividend will be subject to any restriction under applicable laws and regulation, the Articles of Association, available cash flows, dividend flows from subsidiaries and PTC Group’s capital requirements.

The Policy, however, is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all relevant circumstances enumerated hereunder or other factors as may be considered by the Board of Directors from time to time.

2. Definitions

2.1 “Act” shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.

2.2 “Applicable Laws” shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other Acts, rules or regulations which provide for the distribution of dividend.

2.3 “Company” shall mean PTC India Limited

2.4 “Board” or “Board of Directors” shall mean Board of Directors of the Company.

2.5 “Dividend” shall mean Dividend as defined under Companies Act, 2013 and shall include interim dividend.

2.6 “Policy” or “this Policy” shall mean the Dividend Distribution Policy.

2.7 “SEBI Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

3. Relevant Statutory Provisions of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules 2014 relating to Dividend

3.1 “Dividend” includes any interim dividend;

3.2 Dividend shall be declared or paid by company for any financial year:

- i) Out of the current year profit after providing depreciation.
- ii) Out of the previous year’s profit remaining undistributed and after providing for depreciation.

iii) Out of both the above.

3.3 No Dividend shall be declared or paid by company from its reserves other than free reserves.

3.4 The Company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company.

3.5 Company shall declare dividend after carried over previous losses and depreciation not provided, if any, in previous year or years are set off against profit of the company for the current year.

3.6 In case of losses or inadequate profits in any financial year, the Company can declare dividend out of the profits earned by it in previous years and transferred to the reserves subject to the following conditions:-

i. The rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year:

Provided that the above condition shall not apply in case the Company has not declared any dividend in each of the three preceding financial year.

ii. The total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid-up share capital and free reserves as appearing in the latest audited financial statement.

iii. The amount so drawn shall first be utilised to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared.

iv. The balance of reserves after such withdrawal shall not fall below fifteen per cent of company’s paid up share capital as appearing in the latest audited financial statement.

4. Circumstances under which the shareholders may or may not expect dividend.

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business.

The Board will consider the factors mentioned under Clause 5 below and before determination of any dividend payout analyse the prospective opportunities and threats, viability of the option of dividend payout or retention etc. If the Board proposes that it is financially prudent not to recommend dividend, it may recommend no dividend, in that case, reason(s) thereof and information on utilization of the undistributed profit, if any, shall be disclosed to the shareholders in the Annual Report of the Company.

5. Parameters for declaration of Dividend

The Board of Directors will consider the following parameters for determining the quantum of dividend:

5.1 Financial Parameters

- Net profit after tax;
- Working Capital requirements;
- Capital expenditure requirements and alternative use of cash;
- Outstanding borrowings

- Available cash and cash flow requirement to meet any unforeseen events & contingencies/ group's capital requirements
- Dividend received by the company.
- Net worth of the company
- Dividend yield
- Dividend payout ratio.
- In case the dividend is paid out of the reserves, the balance of reserves after such withdrawal shall not fall below 25% of company's paid up share capital as appearing in the latest audited financial statement.

5.2 Developments in internal and external environment.

- Opportunities available for growth/expansion/ modernisation
- Past Dividend Trends
- Expectations of shareholders
- Prudential requirements
- Capital Markets
- Industry Conditions
- Customers and suppliers concentration and their financial health
- Market Capitalization
- Statutory Provisions and Guidelines;
- Policies of the Government (centre and state)
- Dividend Pay-out ratios of companies in same industries i.e. Peer Group Comparison
- Economic Environment

Any other factor as the Board may deem fit

6. Utilization of retained earnings

PTC is engaged in trading activities which include long term trading of power generated from large power projects as well as short term trading arising as a result of supply and demand mismatches. The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The profit being retained in the business shall be continued to be deployed in its operations, expansion plans, investment plans etc. The company stands committed to deliver sustainable value to all its stakeholders.

7. Provision with regard to various classes of shares

The holders of the equity shares of the Company, as on the record date, will be entitled to receive dividends. Since the Company has issued only

one class of equity shares with equal voting rights, all the members of the Company shall be entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

8. Timing of Dividend

- 8.1 Interim dividends, as and when decided by the Board, will be declared after considering the interim financial statements for the period for which interim dividends are declared along with factors mentioned in clause 4 & 5 above. Interim financial statements will be prepared considering working expenses, depreciation and anticipated losses, if any, for the full year.
- 8.2 Final dividends as and when approved at the Annual General Meeting (AGM) of the shareholders will be based on the recommendations of the Board based on review of audited financial statements for the year, factors mentioned in clause 4 & 5 above and considering interim dividend, if any, declared during the year.
- 8.3 In case no final dividend is declared, interim dividend, if any, will be regarded as final dividend in AGM.

9. Exclusions

This policy shall not cover the following

- Capitalizing of profits by way of bonus issue of fully or partly paid up securities
- Declaration of dividend on preference shares (as and when issued), since the same will be governed by terms of issue of such shares
- Buyback of shares

10. Amendment(s):

- The Board will change/amend this Policy from time to time at its sole discretion and/or pursuant to any amendments made in the Companies Act, 2013 or any other Statutory Regulations.
- In case of any clarification(s), circular(s) etc. issued by the relevant authorities, not being inconsistent with the provisions laid down under this Policy, then this Policy shall be read along with such clarification(s), circular(s) so issued, from the effective date as laid down under such clarification(s), circular(s) etc. In case of any conflict in the Policy and regulatory provisions then regulatory provisions shall prevail.

11. Disclosures:

The Company shall disclose this Policy in its Annual Reports & website.

EFFECTIVE DATE The Policy shall become effective from the date of its adoption by the Board.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

| S. No. | Particulars | Details | | |
|--------|---|---|----------|---------------|
| 1. | Corporate Identification Number (CIN) of the Company: | L40105DL1999PLC099328 | | |
| 2. | Name of the Company: | PTC India Limited ("the Company") | | |
| 3. | Registered Address : | 2 nd Floor, NBCC Tower, 15 Bhikaji Cama Place New Delhi - 110066 | | |
| 4. | Website: | www.ptcindia.com | | |
| 5. | Email Id. : | info@ptcindia.com | | |
| 6. | Financial Year Reported : | 2017-18 | | |
| 7. | Sector that the Company is engaged in (industrial Activity code wise): | Trading of Electricity | | |
| 8. | List three key products/services that the Company manufactures/provides (as in balance sheet) : | Sale of electricity ₹ 17,873.86 crores | | |
| 9. | Total number of locations where business activity is undertaken by the Company | | | |
| | Number of International Locations(Provide details of major 5) | 1. Bangladesh 2. Nepal 3. Bhutan | | |
| | Number of National Locations: | details at www.ptcindia.com | | |
| 10 | Markets served by the Company | | | |
| | Local | State | National | International |
| | √ | √ | √ | √ |

SECTION B: FINANCIAL DETAILS OF THE COMPANY

| | | |
|----|------------------------------------|-----------------|
| 1. | Paid up Capital (INR) : | ₹ 2,960,083,210 |
| 2. | Total Turnover (INR) : | 18.189.04 crore |
| 3. | Total profit after taxes (INR) : | 319.20 crore |
| 4. | Other Total Comprehensive Income : | 238.99 crore |

5. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

As a responsible corporate citizen, the Company is committed to ensuring its contribution to the welfare of the communities in the society where it operates through its various CSR Initiatives.

6. List of activities in which expenditure in 4 above has been incurred:-

List of CSR activities is detailed in the Report on CSR Activities to the Board's Report.

- Preventive Health care & Sanitation in 2/3rd area of Bhikaji Cama Place.
- Skill Development & Women Empowerment Project on "Promotion of education, Gender Equality and Women's Empowerment"

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies :

The Company has two subsidiaries, namely PTC Financial Services Limited (PFS) and PTC Energy Limited (PEL).

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):

Your company is in the process of preparing a roadmap in conjunction with its two other group companies for spending the CSR amount of 2017-18.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

No other entity / entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies :

| | |
|-------------|---------------------|
| DIN | 01061535 |
| Name | Shri Deepak Amitabh |
| Designation | CMD |

b) Details of the BR head

| No. | Particulars | Details |
|-----|----------------------------|-----------------------------|
| 1. | DIN Number (if applicable) | NA |
| 2. | Name | Ms. Sneha Daheriya |
| 3. | Designation | VP |
| 4. | Telephone Number | 011-41659500 |
| 5. | E mail ID | Sneha.daheriya@ptcindia.com |

2. Principle-wise BR Policy/policies - As per National Voluntary Guidelines (NVGs)

The nine principles as per BRR are as given below:

P 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

P 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P 3: Business should promote the well- being of all employees

P 4: Business should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P 5: Business should respect and promote human rights.

P 6: Business should respect, protect and make efforts to restore the environment.

P 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P 8: Business should support inclusive growth and equitable development.

P 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

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

| S. No. | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--------|--|----|----------|----|----|----|----|----|----|----|
| 1 | Do you have a policy for... | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 2 | Has the policy being formulated in consultation with the relevant stakeholders | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 3 | Does the policy conform to any national / international standards? if yes specify | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 4 | Has the policy being approved by the Board? If yes, has it been signed by MD / Owner / CEO/ appropriate Board Director? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 5 | Does the Company have a specified committee of the Board / Director / official to oversee the implementation of the policy? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 6 | Indicate the link for the policy to be viewed online? | Y | Internal | Y | Y | Y | Y | Y | Y | Y |
| 7 | Has the policy been formally communicated to all the relevant internal and external stakeholders? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 8. | Does the Company have in house structure to implement the policy/policies | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 9. | Does the company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 10. | Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency? | Y | Y | Y | Y | Y | Y | Y | Y | Y |

*Refer to whistle blower policy and code of conduct and Ethics.

** Nomination and Remuneration Policy and HR Policy.

#Refer to CSR Policy.

Refer Risk Management Policy.

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

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

3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annual

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published its BR Report for this Financial Year 2017-18 and the same can be assessed through the link

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In addition to that the Company has established a mechanism under its Whistle Blower Policy for employees to report to the management the instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behavior etc. The policy provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No complaint was received under Whistle Blower Policy. All the anonymous Complaints received during the financial year were dealt with by the competent authorities.

Principle 2: Safety and Sustainability Of Goods and Services

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is into the business of trading of electricity. To substantiate execution excellence with quality, safety & environmental care for the benefit of business and key stakeholders including customers, Company's distribution projects received IMS certification. Additionally, various initiatives like safety audits, Club Energy, Demand side management programs, Be Green create awareness to customers on energy efficiency & its conservation, safety, carbon footprint etc.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Note: - Company deals in trading of electricity

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

- a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so

The Company since its inception providing power trading services, in India and neighboring countries which includes Nepal, Bhutan and Bangladesh on a sustained basis through purchase from surplus utilities and sales to deficit State Distribution Utilities (DISCOMS) at an economical price, providing best value to both the buyers and sellers and ensuring that the resources are utilized optimally. To promote sustainable sourcing, Company has built the sustainability concern into its processes for vendor/supplier development and procurement management.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Note: - Company deals in trading of electricity

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Note: - Company deals in trading of electricity

Principle 3 : Well Being Of All Employees :

- Please indicate the Total number of employees. 99 (Permanent) as on 31st March, 2018
- Please indicate the Total number of employees hired on temporary/contractual/casual basis. (99) as on 31st March, 2018
- Please indicate the Number of permanent women employees. 13 (included in Si. No. 1 above)
- Please indicate the Number of permanent employees with disabilities. (Nil)
- Do you have an employee association that is recognized by management. (PTC Employee Welfare Association: It's an informal association mainly for organizing employee get-togethers, lunch facilities etc.)

6. What percentage of your permanent employees is members of this recognized employee association? (All – 100%)

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| No. | Category | No of complaints filed during the financial year | No of complaints pending as on end of the financial year |
|-----|---|--|--|
| 1 | Child labour/forced labour/involuntary labour | NIL | NIL |
| 2 | Sexual harassment | NIL | NIL |
| 3 | Discriminatory employment | NIL | NIL |

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees 58/99 = 58.58%
- Permanent Women Employees 7/13 = 53.0%
- Casual/Temporary/Contractual Employees 3/99 = 3%
- Employees with Disabilities N/A

Principle 4: Protection Of Stakeholders' Interest:

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, Stakeholders of the company has been mapped through a formal process of consultation at all operations. The Company's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and local communities around its sites of operations.

Further, the Company also worked in close association with key stakeholders The company is focused towards the quality services to its customers. For taking customers' feedbacks, company rolls out a customer satisfaction survey for all the customers and followed up with customer interaction meet.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations which are broadly divided into two categories viz. Internal Stakeholders (Employees – Persons with Disabilities (PWD) / SC/ ST/ Women) and External Stakeholders {Project Affected Persons / Families (PAPs / PAFs) : Widow women headed families, SC/ST/ Persons with Disabilities (PWD)}.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company through its CSR programmes and projects has taken special initiatives in order to engage with the disadvantaged, vulnerable and marginalized stakeholders which are aimed at serving the needy, deserving, socio economically backward and disadvantaged communities aimed at improving the quality of their lives. We have taken following initiatives with significant outlays in healthcare, education, sanitation and in providing livelihood opportunities:-

Principle 5 : Respecting and Promoting Human Rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?

Company believes in protecting the human rights of our people, recognizing their need for respect and dignity. We are committed to fair employment practices and freedom of expression, supported by a strong, company-wide value system. We provide every avenue to our workforce for voicing their opinion. We ensure that all our practices are aligned with our Human Rights Policy.

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

Subsidiary companies are also covered in these programmes / plans.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

NIL

Principle 6 : Respecting and Protecting the Environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company has adopted plans to protect Environment as these aspects are integral to the Company's business at operating locations. All subsidiaries, joint ventures, suppliers and contractors are required to abide by the Company's Environment Plans and work procedures at PTC India.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company has developed and implemented a risk management framework that includes the identification, assessment, and management of environmental and social concerns at both organizational and project level which in the opinion of the Board may threaten the existence of the Company. The Company have Risk Matrix tool which is duly providing guidance on risk related issues.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

NA

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Various initiatives undertaken by the company in the field of renewable energy have been discussed in the point 2 above.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

NA

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NA

Principle 7: Public and Regulatory Policy

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the Company is a member of the following key association:

- a) Association of Power Producers
- b) FICCI
- c) TERI-BCSD
- d) ASSOCHAM

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

PTC has been advocating through the industry associations as well as on its own for the development to the power market, renewable energy development, energy security and cross border trading of electricity to the policy makers and regulatory bodies.

Principle 8: Inclusive Growth and Equitable Development

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

As a Power Trading Company, we touch millions of lives every day and understand that real success is the result of inclusive development of the involved entities and stakeholders. We support the principles of inclusive growth and equitable development through corporate social responsibility initiatives as well as through our core business.

The company through its Corporate Social Responsibility initiatives has undertaken various activities for the sustainable development of communities around the sites of operations during the period. The CSR activities of the Company are intended to promote inclusive growth and development and are focused on the following area:

- Sanitation/cleanliness;
- Skill development a with focus on the under-privileged strata of society \
- Promoting Gender equality, empowering women
- Environmental sustainability

2. **Are the programmes/projects undertaken through in-house team/ own foundation/external NGO/government structures/any other organization?**

The CSR activities of the Company are undertaken through In- house team & NGO.

3. **Have you done any impact assessment of your initiative?**

Yes. Regular impact assessment studies are carried out by the foundation to evaluate its various on-going programs and to analyze the quantum

of transformation the program are able to make on the lives of the communities. Also regular monthly, quarterly and yearly reviews of the programs are carried out by the different levels of management to continually improve the program implementation and outcomes.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

As explained in CSR section

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes. Community participation is encouraged at all stages of our community development / CSR initiatives, including program planning, monitoring, implementation and assessment / evaluation.

Base line studies and assessment surveys are carried out before taking CSR initiatives. Our teams also work closely with local people to ensure that the initiatives are well received and adopted by the Community. These initiatives foster ownership amongst the local communities. The impact of our interventions is monitored regularly for bringing about further improvements.

Principle 9: Engaging and Enriching Customer Value :

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

NA

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)**

NA

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

The company is focused towards the quality services to its customers. For taking customers feedbacks, company rolled out a customer satisfaction survey for all the customers and followed up with customer interaction meets.

For and on behalf of the Board
PTC India Limited

Sd/-

(Deepak Amitabh)

Chairman & Managing Director
(DIN : 01061535)

Place New Delhi
Date: 7th August, 2018

INDEPENDENT AUDITOR'S REPORT

To The Members of PTC India Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of PTC INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Standalone Ind AS financial statements').

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its Profit (financial performance including other comprehensive income), its Cash Flow and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report to the extent applicable, that:
 - a) We have sought and 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 it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 35 to the standalone Ind AS financial statements;
 - ii. The company has long term contracts as at 31st March, 2018 for which there were no material foreseeable losses. As informed to us that the company did not have any derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 06591N

(CA Bhuvnesh Maheshwari)
Partner
Membership No: 088155

Place: New Delhi
Date: 16th May 2018

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2018:

- (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) In our opinion and according to the information and explanations given to us during the course of audit, the title deeds of immovable properties are held in the name of the company.
- (ii) The Company is in the business of power. Accordingly it does not hold any physical inventories. Thus, paragraph 3(ii) of the order is not applicable to the company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us during the course of audit, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investment of the company. Further, the company has not granted any loans and has not given any guarantees and security under the provision of section 185 of the companies Act, 2013; thereby the provision of the said section is not applicable to the company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) 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 148(1) of the Companies Act, 2013, 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.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Goods & Service Tax, Cess and any other statutory dues with the appropriate authorities and there were no outstanding at March 31, 2018 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, Goods & Service Tax 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 Crore) | Forum where Dispute is Pending |
|----------------------|----------------|------------------------------------|--------------------------------|-------------------------------------|
| Income Tax Act, 1961 | Income Tax | AY 2008-09 | 0.95 | ITAT Delhi |
| Income Tax Act, 1961 | Income Tax | AY 2009-10 | 1.47 | ITAT Delhi |
| Income Tax Act, 1961 | Penalty | AY 2009-10 | 1.47 | ITAT Delhi |
| Income Tax Act, 1961 | Income Tax | AY 2010-11 | 1.53 | ITAT Delhi |
| Income Tax Act, 1961 | Penalty | AY 2010-11 | 1.48 | ITAT Delhi |
| Income Tax Act, 1961 | Income Tax | AY 2011-12 | 10.38 | ITAT Delhi |
| Income Tax Act, 1961 | Penalty | AY 2011-12 | 0.01 | Commissioner of Income Tax (Appeal) |
| Income Tax Act, 1961 | Income Tax | AY 2012-13 | 65.12 | ITAT Delhi |
| Customs Act, 1962 | Custom Duty | AY 2012-13 | 17.16 | CESTAT, Bangalore |
| Income Tax Act, 1961 | Income Tax | AY 2013-14 | 99.12 | ITAT Delhi |
| Income Tax Act, 1961 | Income Tax | AY 2014-15 | 45.63 | ITAT Delhi |
| Income Tax Act, 1961 | Income Tax | AY 2015-16 | 66.84 | Commissioner of Income Tax (Appeal) |

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- (x) 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 explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) In our opinion and according to the information and explanations given to us during the course of audit, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us during the course of audit, the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) of the Order are not applicable to the Company.

- (xiii) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that transactions with the related parties are in compliance with sections 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us by the management and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.
- (xv) In our opinion and according to the information and explanations given to us during the course of audit, we state that the Company has not entered into non-cash transaction with directors or persons connected with him.

Therefore clause 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 06591N

(CA Bhuvnesh Maheshwari)
Partner
Membership No: 088155

Place: New Delhi
Date: 16th May 2018

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF PTC INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of PTC INDIA LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 06591N

(CA Bhuvnesh Maheshwari)
Partner
Membership No: 088155

Place: New Delhi
Date: 16th May 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in crore)

| Particulars | Note No. | As at 31.03.2018 | As at 31.03.2017 |
|--|----------|------------------|------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2 | 22.48 | 23.77 |
| Intangible assets | 3 | 0.85 | 0.96 |
| Investments in subsidiaries and associates | 4 | 1,408.89 | 1,408.89 |
| Financial assets | | | |
| Investments | 5 | 207.21 | 287.18 |
| Loans | 6 | 0.70 | 0.77 |
| Other financial assets | 7 | 648.17 | 682.09 |
| Deferred tax assets (net) | 8 | 9.14 | 7.57 |
| Income tax assets (net) | 9 | 14.84 | 14.10 |
| Other non-current assets | 10 | 16.00 | 5.52 |
| Total non-current assets | | 2,328.28 | 2,430.85 |
| Current assets | | | |
| Financial assets | | | |
| Investments | 11 | 129.72 | 572.19 |
| Trade receivables | 12 | 3,270.00 | 3,271.00 |
| Cash and cash equivalents | 13 | 281.48 | 167.54 |
| Bank balances other than cash and cash equivalents | 14 | 10.32 | 1.12 |
| Loans | 15 | 0.25 | 0.23 |
| Other financial assets | 16 | 63.14 | 49.19 |
| Other current assets | 17 | 130.74 | 111.97 |
| Total current assets | | 3,885.65 | 4,173.24 |
| TOTAL ASSETS | | 6,213.93 | 6,604.09 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 18 | 296.01 | 296.01 |
| Other equity | 19 | 2,923.73 | 2,778.87 |
| Total equity | | 3,219.74 | 3,074.88 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 20 | 648.88 | 682.80 |
| Provisions | 21 | 4.85 | 4.96 |
| Total non-current liabilities | | 653.73 | 687.76 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Trade payables | 22 | 2,230.93 | 2,732.10 |
| Other financial liabilities | 23 | 52.27 | 48.63 |
| Other current liabilities | 24 | 54.51 | 53.77 |
| Provisions | 25 | 0.13 | 0.58 |
| Current tax liabilities (net) | 26 | 2.62 | 6.37 |
| Total current liabilities | | 2,340.46 | 2,841.45 |
| TOTAL EQUITY AND LIABILITIES | | 6,213.93 | 6,604.09 |

Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

For and on behalf of the Board of Directors

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Place: New Delhi
Date: May 16, 2018

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Rajiv Maheshwari)
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in crore)

| Particulars | Note No. | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|----------|----------------------------------|----------------------------------|
| Revenue | | | |
| Revenue from operations | 27 | 18,189.04 | 14,074.83 |
| Other income | 28 | 203.11 | 237.99 |
| Total revenue | | 18,392.15 | 14,312.82 |
| Expenses | | | |
| Purchases | 29 | 17,563.38 | 13,479.27 |
| Operating expenses | 30 | 189.43 | 210.07 |
| Employee benefits expense | 31 | 30.42 | 28.66 |
| Finance costs | 32 | 117.28 | 134.59 |
| Depreciation and amortization expense | 2 & 3 | 2.85 | 2.71 |
| Other expenses | 33 | 44.04 | 48.49 |
| Total expenses | | 17,947.40 | 13,903.79 |
| Profit before exceptional items and tax | | 444.75 | 409.03 |
| Exceptional items | 34 | 0.02 | (0.02) |
| Profit before tax | | 444.77 | 409.01 |
| Tax expense | | | |
| -Current tax | | 127.02 | 119.32 |
| -Deferred tax (net) | | (1.45) | (1.18) |
| Total tax expense | | 125.57 | 118.14 |
| Profit for the year | | 319.20 | 290.87 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss (net of tax) | | | |
| Remeasurements of post-employment benefit obligations | | (0.36) | (0.52) |
| Deferred tax on post-employment benefit obligations | | 0.12 | 0.18 |
| Equity instruments through other comprehensive income | | (79.97) | (20.51) |
| Other comprehensive income / (loss) for the year (net of tax) | | (80.21) | (20.85) |
| Total comprehensive income / (loss) for the year | | 238.99 | 270.02 |
| Earnings per equity share (face value of equity share of ₹ 10 each) | 41 | | |
| (1) Basic (₹) | | 10.78 | 9.83 |
| (2) Diluted (₹) | | 10.78 | 9.83 |

Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

For and on behalf of the Board of Directors

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Place: New Delhi
Date: May 16, 2018

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Rajiv Maheshwari)
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|----------------------------------|----------------------------------|
| Cash flows from operative activities | | |
| Net profit before tax | 444.77 | 409.01 |
| Adjustments for: | | |
| Depreciation and amortization expense | 2.85 | 2.71 |
| Profit/ (loss) on sale of fixed assets (net) | (0.02) | 0.02 |
| Bad debts/ advances written off | 1.17 | 15.99 |
| Unrealized foreign exchange fluctuation loss / (gain)-(net) | (0.53) | 0.96 |
| Impairment allowance for doubtful debts / advances | 4.56 | 3.20 |
| Liabilities no longer required written back | - | (29.48) |
| Finance costs | 117.28 | 134.59 |
| Dividend income | (81.57) | (64.74) |
| Interest income | (117.10) | (134.08) |
| Rental income | (0.05) | (0.02) |
| Profit on sale of investment (net) | (3.89) | (10.33) |
| Operating profit before working capital changes | 367.47 | 327.83 |
| Adjustments for: | | |
| (Increase)/ Decrease in trade receivables | (4.20) | 417.31 |
| (Increase)/ Decrease in loans and other financial assets | (11.32) | 4.27 |
| (Increase)/ Decrease in other current assets | (18.59) | (9.48) |
| Increase/ (Decrease) in trade payable | (501.17) | 283.02 |
| Increase/ (Decrease) in other current liabilities | 0.74 | 3.99 |
| Increase/ (Decrease) in other financial liabilities | 0.90 | (0.09) |
| Increase/ (Decrease) in provisions | (0.92) | 1.06 |
| Cash generated from/(used in) operating activities | (167.09) | 1,027.91 |
| Direct taxes paid (net) | (131.51) | (86.97) |
| Net cash generated/(used) from operating activities (A) | (298.60) | 940.94 |
| Cash flow from investing activities | | |
| Interest received | 116.94 | 134.06 |
| Dividend received | 81.57 | 64.74 |
| Rent received | 0.05 | 0.02 |
| Purchase of property, plant and equipment and intangible assets (including capital advances) | (12.01) | (7.86) |
| Sale of property, plant and equipment | 0.04 | 0.10 |
| Sale/(Purchase) of investments in subsidiaries | - | (822.20) |
| Sale/(Purchase) of investments (net) | 446.36 | (86.94) |
| Decrease/ (Increase) in bank balances other than cash & cash equivalents | (9.00) | - |
| Financial lease receivables | 31.38 | 13.86 |
| Net cash generated from/ (used in) investing activities (B) | 655.33 | (704.22) |
| Cash flows from financing activities | | |
| Finance lease obligations | (31.38) | (13.86) |
| Finance cost paid | (117.28) | (134.92) |
| Dividend paid (including dividend tax) | (94.13) | (80.83) |
| Net cash generated from/(used in) financing activities (C) | (242.79) | (229.61) |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 113.94 | 7.11 |
| Cash and cash equivalents (opening balance) | 167.54 | 160.43 |
| Cash and cash equivalents (closing balance) | 281.48 | 167.54 |

| | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Notes: | | |
| 1. Cash and cash equivalents include | | |
| Cash on hand- Staff imprest | 0.02 | 0.02 |
| Current accounts | 131.46 | 34.06 |
| Deposits with original maturity upto three months | 150.00 | 133.46 |
| Cash and cash equivalents at the year end | 281.48 | 167.54 |
| 2. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (Ind AS)-7 on Statement of cash flows. | | |
| 3. Figures in bracket indicate cash outflow. | | |

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Place: New Delhi
Date: May 16, 2018

For and on behalf of the Board of Directors

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Sd/-
(Rajiv Maheshwari)
Company Secretary

STATEMENT OF CHANGES IN EQUITY

(A) EQUITY SHARE CAPITAL

(₹ in crore)

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---------------------|--------|---------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the year | 296,008,321 | 296.01 | 296,008,321 | 296.01 |
| Changes in equity share capital during the year | - | - | - | - |
| Balance at the end of the year | 296,008,321 | 296.01 | 296,008,321 | 296.01 |

(B) Other equity

(₹ in crore)

| Particulars | Reserves & Surplus | | | | | Items of Other comprehensive income | | Total |
|--|----------------------------|----------------------------------|-----------------|-------------------|---------------------|-------------------------------------|--|-----------------|
| | Securities premium account | Share option outstanding account | General reserve | Retained earnings | Contingency reserve | FVOCI - Equity investment reserve | Re-measurements of the net defined benefit plans | |
| Balance at 31 March 2016 | 1,590.40 | 0.12 | 435.76 | 562.32 | 1.05 | - | 0.03 | 2,589.68 |
| Profit for the year | - | - | - | 290.87 | - | - | - | 290.87 |
| Other comprehensive income for the year | - | - | - | - | - | (20.51) | (0.34) | (20.85) |
| Total comprehensive income for the year | - | - | - | 290.87 | - | (20.51) | (0.34) | 270.02 |
| Cash dividends | - | - | - | (74.00) | - | - | - | (74.00) |
| Dividend distribution tax (DDT) on cash dividend | - | - | - | (6.83) | - | - | - | (6.83) |
| Transfer to general reserve | - | - | 81.01 | (81.01) | - | - | - | - |
| Balance at 31 March 2017 | 1,590.40 | 0.12 | 516.77 | 691.35 | 1.05 | (20.51) | (0.31) | 2,778.87 |
| Profit for the year | - | - | - | 319.20 | - | - | - | 319.20 |
| Other comprehensive income for the year | - | - | - | - | - | (79.97) | (0.24) | (80.21) |
| Total comprehensive income for the year | - | - | - | 319.20 | - | (79.97) | (0.24) | 238.99 |
| Cash dividends | - | - | - | (88.80) | - | - | - | (88.80) |
| Dividend distribution tax (DDT) on cash dividend | - | - | - | (5.33) | - | - | - | (5.33) |
| Transfer to general reserve | - | - | 71.70 | (71.70) | - | - | - | - |
| Balance at 31 March 2018 | 1,590.40 | 0.12 | 588.47 | 844.72 | 1.05 | (100.48) | (0.55) | 2,923.73 |

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Place: New Delhi
Date: May 16, 2018

For and on behalf of the Board of Directors

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Sd/-
(Rajiv Maheshwari)
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

Note No. 1

Company overview and significant accounting policies

1. Company overview

The financial statements comprise financial statements of PTC India Limited (the company) for the year ended 31 March 2018. The company is a public company domiciled in India and limited by shares (CIN: L40105DL1999PLC099328). The company is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are publicly traded on the National Stock Exchange of India Limited and BSE Limited. The registered office of the company is located at 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi-110066, India.

The company is principally engaged in trading of power. PTC holds Category I license from Central Electricity Regulatory Commission (CERC), the highest category with permission to trade unlimited volumes.

The financial statements were authorized for issue in accordance with a resolution of the directors on 16 May, 2018.

2.1 Basis of preparation of financial statements

(i) Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment, Rules 2016, to the extent applicable. These Financial Statements have been prepared and presented on a going concern basis and on the accrual basis of accounting.

(ii) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments). The methods used to measure fair values are discussed further in notes to financial statements.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest crore (upto two decimals), except as stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1. Investment in Subsidiaries and associates

A subsidiary is an entity that is controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Company's investments in subsidiaries and its associate are accounted for at cost except when investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

2. Current versus non-current classification.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. Foreign Currency

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

The rate that approximates the actual rate at the date of the transaction or the monthly average rate is used for all transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of such items (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

4. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting period date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current income tax and deferred tax are recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

5. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future

economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Company amortizes cost of computer software over their estimated useful lives of 3 years using Straight-line method.

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

6. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

Accounting for finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the Company is classified as a finance lease. Title may or may not eventually be transferred.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Accounting for operating lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

In the event that lease incentives are received to enter into operating lease, such incentives are recognized as a liability. The aggregate benefits of incentives are recognized as a reduction of rental expenses on straight-line basis.

Contingent rents are recognized as expense in the period in which they are incurred.

Company as a lessor

Accounting for finance lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Accounting for operating lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income on a straight line basis unless the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Contingent rents are recognized as revenue in the period in which they are earned.

7. Impairment of assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its assets (including investments in subsidiaries and associates) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

8. Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense

relating to a provision is presented net of any reimbursement in the statement of profit and loss.

9. Contingent liabilities and contingent assets

Contingent Liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events but is not recognised because

- i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

A contingent liability is not recognized but disclosed as per requirements of Ind (AS) 37. The related asset is recognized when the realisation of income becomes virtually certain.

Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

10. Employee Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

The Company pays fixed contribution to Employees' Provident Fund. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability is towards gratuity and post-retirement medical facility. The gratuity is funded by the Company and is managed by separate trust. The Company has Post-Retirement Medical Scheme (PRMS), under which eligible retired employee and the spouse are provided medical facilities and avail treatment as out-patient subject to a ceiling fixed by the Company.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs is recognised and the fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations

and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits.

The Company's obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

Short-term benefits

Short term employee benefits are that are expected to be settled wholly before twelve months after the end of the reporting periods in which the employee rendered the related services.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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.

11. Financial Instruments

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivables and trade payable which are initially measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place

(regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as under:

- Debt instruments at amortized cost
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity Instruments at FVTPL or FVTOCI

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on

an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of Investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash-flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure-

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and Credit risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit

risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contract assets and lease held receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

12. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

13. Cash dividend to equity holders

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

14. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of inventories is measured on First in and First out (FIFO) basis.

Costs of purchased inventory are determined after deducting rebates and discounts.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

15. Property, plant and equipment

Property, Plant and equipment (PP&E) are carried in the balance sheet on the basis of at cost of acquisition including incidental costs related to acquisition and installation, net of accumulated depreciation and accumulated impairment losses, if any.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

Subsequent cost relating to Property, plant and equipment shall be recognized as an asset if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

All other repair and maintenance costs are recognized in profit or loss as incurred.

The Company depreciates property, plant and equipment over their estimated useful lives using written down method except wind mill and leasehold land. The useful lives are at the rates and in the manner provided in Schedule II of the Companies Act, 2013

| Category | Useful life |
|-------------------------------|-------------|
| Building | 60 years |
| Plant & Equipment (Wind-mill) | 22 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 08 years |
| Office Equipment | 03-06 years |

The depreciation on Wind Mills has been changed on Straight Line Method (SLM) at rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

Leasehold land are amortised over the lease period.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is shown under the head non-financial assets in the balance sheet.

The cost of assets not available for use is disclosed under Capital Work in Progress till the time they are ready for use.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortization.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognized.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end and adjusted prospectively, if appropriate.

The Company follows component approach as envisaged in Schedule II to the Companies Act, 2013. The approach involves identification of

components of the asset whose cost is significant to the total cost of the asset and have useful life different from the useful life of the remaining assets and in respect of such identified components, useful life is determined separately from the useful life of the main asset.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

Asset costing less than ₹ 5000/- is fully depreciated in the year of capitalization.

16. Earnings per equity 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.

17. Share based payments

Equity settled transactions

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 recognized as deferred stock compensation cost and amortized over the vesting period, on a straight line basis. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense

18. Revenue Recognition

Company's revenues arise from trading of power, consultancy and other income. Revenue from sale of energy is recognized based on the rates & terms and conditions mutually agreed with the beneficiaries. Revenue from other income comprises interest from banks, employees, etc., dividend from investments in associates and subsidiary companies, dividend from mutual fund investments, surcharge received from customers for delayed payments, other miscellaneous income, etc.

Trading of Power

Revenue from trading of power is measured at the rates agreed with the beneficiaries and recognized when all the following conditions are satisfied:

- i) the company has transferred to the buyer the significant risks and rewards of ownership of the energy;
- ii) the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii) the amount of revenue can be measured reliably;
- iv) it is probable that the economic benefits associated with the transaction will flow to the company; and
- v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Rendering of Services

Revenue from service is recognized at the fair value of the consideration received or receivable and recognized by reference to the stage of

completion of the transaction when all the following conditions are satisfied:

- i) the amount of revenue can be measured reliably;
- ii) it is probable that the economic benefits associated with the transaction will flow to the entity;
- iii) the stage of completion of the transaction can be measured reliably; and
- iv) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If all the above conditions are not met, revenue from service is recognized only to the extent of the expenses recognized that are recoverable.

Surcharge Income

The surcharge on late payment/non payment from customers is recognized when:

- i) the amount of surcharge can be measured reliably; and
- ii) there is no significant uncertainty that the economic benefits associated with the surcharge transaction will flow to the entity.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend, provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms unless the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost. Rental Income is included in revenue in the statement of profit and loss.

19. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

2.3 Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

a) Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

b) Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

c) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

d) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The

Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

g) Deferred Tax

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

h) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

i) Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease'. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement needs the criteria under Appendix C to Ind AS 17.

j) Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

2.4 Recent accounting pronouncements

Standards issued but not yet effective

IND AS 115

On 28 March 2018, the Ministry of Corporate Affairs (MCA), in consultation with the National Advisory Committee on Accounting Standards, has issued Companies (Indian Accounting Standards) Amendment Rules, 2018 to amend the Companies (Indian Accounting Standards) Rules, 2015. This results in introduction of Ind AS 115, Revenue from Contracts with customers, that comprehensively revamps the revenue recognition guidance. Consequently, Ind AS 18 and Ind AS 11 have been withdrawn, and other standards are suitably modified. The amendment is applicable to the Company from 01 April 2018.

The Company is in the process of evaluating the requirement of the amendments and its impact on the financial statements.

APPENDIX B OF IND AS 21

This appendix is for determining the date of transaction where the entity has received / paid any foreign currency advances. This appendix states that the date of transaction shall be the date on which such advance is received or paid. Therefore these non-monetary advances will not be restated at the time of their adjustment against the particular transaction.

Note No.2 - Property, plant and equipment

As at 31 March 2018

(₹ in crore)

| Description | Gross block | | | | Accumulated depreciation | | | | Net block | |
|------------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2017 | Additions | Disposals/ adjustments | As at 31.03.2018 | As at 01.04.2017 | For the year | Disposals/ adjustments | As at 31.03.2018 | As at 31.03.2018 | As at 31.03.2017 |
| Leasehold land | 3.48 | - | - | 3.48 | 0.06 | 0.05 | - | 0.11 | 3.37 | 3.42 |
| Buildings | 7.64 | - | - | 7.64 | 0.73 | 0.32 | - | 1.05 | 6.59 | 6.91 |
| Furniture and fixtures | 1.00 | 0.09 | (0.03) | 1.06 | 0.42 | 0.15 | (0.02) | 0.55 | 0.51 | 0.58 |
| Vehicle | 1.16 | - | (0.06) | 1.10 | 0.46 | 0.22 | (0.04) | 0.64 | 0.46 | 0.70 |
| Plant and equipment | 12.66 | - | - | 12.66 | 2.22 | 0.67 | - | 2.89 | 9.77 | 10.44 |
| Office equipments | 3.02 | 1.04 | (0.30) | 3.76 | 1.30 | 0.95 | (0.27) | 1.98 | 1.78 | 1.72 |
| Total | 28.96 | 1.13 | (0.39) | 29.70 | 5.19 | 2.36 | (0.33) | 7.22 | 22.48 | 23.77 |

As at 31 March 2017

(₹ in crore)

| Description | Gross block | | | | Accumulated depreciation | | | | Net block | |
|------------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2016 | Additions | Disposals/ adjustments | As at 31.03.2017 | As at 01.04.2016 | For the year | Disposals/ adjustments | As at 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| Leasehold land | 3.48 | - | - | 3.48 | 0.05 | 0.01 | - | 0.06 | 3.42 | 3.43 |
| Buildings | 7.64 | - | - | 7.64 | 0.35 | 0.38 | - | 0.73 | 6.91 | 7.29 |
| Furniture and fixtures | 1.01 | - | (0.01) | 1.00 | 0.24 | 0.18 | - | 0.42 | 0.58 | 0.77 |
| Vehicle | 0.97 | 0.27 | (0.08) | 1.16 | 0.24 | 0.25 | (0.03) | 0.46 | 0.70 | 0.73 |
| Plant and equipment | 12.66 | - | - | 12.66 | 1.56 | 0.66 | - | 2.22 | 10.44 | 11.10 |
| Office equipments | 1.39 | 1.71 | (0.08) | 3.02 | 0.66 | 0.66 | (0.02) | 1.30 | 1.72 | 0.73 |
| Total | 27.15 | 1.98 | (0.17) | 28.96 | 3.10 | 2.14 | (0.05) | 5.19 | 23.77 | 24.05 |

a) Refer Note 37 regarding property, plant and equipment under finance lease.

b) Refer Note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note No.3 - Intangible assets

As at 31 March 2018

(₹ in crore)

| Description | Gross block | | | | Accumulated amortisation | | | | Net block | |
|-------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2017 | Additions | Disposals/ adjustments | As at 31.03.2018 | As at 01.04.2017 | For the year | Disposals/ adjustments | As at 31.03.2018 | As at 31.03.2018 | As at 31.03.2017 |
| Computer software | 1.93 | 0.38 | - | 2.31 | 0.97 | 0.49 | - | 1.46 | 0.85 | 0.96 |
| Total | 1.93 | 0.38 | - | 2.31 | 0.97 | 0.49 | - | 1.46 | 0.85 | 0.96 |

As at 31 March 2017

(₹ in crore)

| Description | Gross block | | | | Accumulated amortisation | | | | Net block | |
|-------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2016 | Additions | Disposals/ adjustments | As at 31.03.2017 | As at 01.04.2016 | For the year | Disposals/ adjustments | As at 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| Computer software | 0.89 | 1.04 | - | 1.93 | 0.40 | 0.57 | - | 0.97 | 0.96 | 0.49 |
| Total | 0.89 | 1.04 | - | 1.93 | 0.40 | 0.57 | - | 0.97 | 0.96 | 0.49 |

Note No.4 - Non-current investments in subsidiaries and associates

(₹ in crore)

| Particulars | Face value ₹ | Quantity as at 31.03.2018 | Quantity as at 31.03.2017 | Amount as at 31.03.2018 | Amount as at 31.03.2017 |
|---|--------------|---------------------------|---------------------------|-------------------------|-------------------------|
| Carried at cost less impairment allowance | | | | | |
| Quoted investments | | | | | |
| Investment in equity instruments- fully paid up | | | | | |
| Subsidiary company | | | | | |
| - PTC India Financial Services Limited | 10 | 417,450,001 | 417,450,001 | 754.77 | 754.77 |
| Unquoted investments | | | | | |
| Investment in equity Instruments- fully paid up | | | | | |
| Subsidiary company | | | | | |
| - PTC Energy Limited (Wholly Owned) | 10 | 654,117,494 | 654,117,494 | 654.12 | 654.12 |
| Associate company | | | | | |
| - Krishna Godavari Power Utilities Limited (refer note below) | 10 | 37,548,700 | 37,548,700 | 37.55 | 37.55 |
| - Impairment allowance for long term investment | | | | (37.55) | (37.55) |
| Total | | | | 1,408.89 | 1,408.89 |
| Aggregate book value of quoted investments | | | | 754.77 | 754.77 |
| Aggregate market value of quoted investments | | | | 1,003.97 | 1,734.50 |
| Aggregate book value of unquoted investments | | | | 691.67 | 691.67 |
| Aggregate amount of impairment in the value of investments | | | | (37.55) | (37.55) |

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.5 - Non-current investments

(₹ in crore)

| Particulars | Face value ₹ | Quantity as at 31.03.2018 | Quantity as at 31.03.2017 | Amount as at 31.03.2018 | Amount as at 31.03.2017 |
|---|--------------|---------------------------|---------------------------|-------------------------|-------------------------|
| Investment in equity instruments- fully paid up-unquoted | | | | | |
| Designated at fair value through other comprehensive income | | | | | |
| - Teesta Urja Limited | 10 | 180,052,223 | 180,052,223 | 184.55 | 165.65 |
| - Chenab Valley Power Projects Private Limited | 10 | 4,080,000 | 4,080,000 | 4.08 | 4.08 |
| - Athena Energy Ventures Private Limited | 10 | 158,811,849 | 150,000,000 | 18.58 | 117.45 |
| Total | | | | 207.21 | 287.18 |
| Aggregate amount of quoted investments and market value thereof | | | | - | - |
| Aggregate amount of unquoted investments | | | | 207.21 | 287.18 |

Restrictions for the disposal of investments held by the Company towards certain subsidiary companies and other companies are disclosed in Note 35

Note No.6 - Non-current loans

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|
| Unsecured, considered good | | |
| Loan to employees (including accrued interest) | 0.70 | 0.77 |
| Total | 0.70 | 0.77 |

Note No.7 - Other non-current financial assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|
| Unsecured, considered good | | |
| Financial lease receivables (Refer Note 37(b)) | 648.17 | 682.09 |
| Total | 648.17 | 682.09 |

Loans given to employees are measured at amortised cost.

Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Company has ascertained that the PSA entered with one of its customers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivables. Recovery of amounts against depreciation, interest on loan capital and return on equity (pre-tax) components from the customer is adjusted against Finance Lease Receivables and interest. The interest component of the Finance Lease Receivables and amount received on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest income on assets under finance lease' under Note 28-'Other Income'.

Note No.8 - Deferred tax assets (net)

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| (a) Deferred tax liabilities on account of timing differences in:- | | |
| Difference in book depreciation and tax depreciation | 3.03 | 3.16 |
| Change in fair value of investment measured through profit or loss | 0.06 | - |
| Finance lease receivables | 240.57 | 249.12 |
| Sub-total (a) | 243.66 | 252.28 |
| (b) Deferred tax assets arising on account of timing differences in:- | | |
| Employee benefits | 1.67 | 1.85 |
| Expenses not allowable for income tax in the current year | 6.08 | 6.02 |
| Finance lease obligations | 240.57 | 249.12 |
| Impairment loss on trade receivables/ advances | 4.48 | 2.86 |
| Sub-total (b) | 252.80 | 259.85 |
| Net deferred tax (liabilities)/assets (b-a) | 9.14 | 7.57 |

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

Movement in deferred tax balances

31 March 2018

(₹ in crore)

| Particulars | Net balance 1 April 2017 | Recognised in profit or loss | Recognised in OCI | Net balance 31 March 2018 |
|--|-----------------------------------|------------------------------------|----------------------|------------------------------------|
| Difference in book depreciation and tax depreciation | (3.16) | 0.13 | - | (3.03) |
| Employee benefits | 1.85 | (0.30) | 0.12 | 1.67 |
| Expenses not allowable for income tax in the current year | 6.02 | 0.06 | - | 6.08 |
| Change in fair value of investment measured through profit or loss | - | (0.06) | - | (0.06) |
| Finance lease Obligations | 249.12 | (8.55) | - | 240.57 |
| Finance lease receivables | (249.12) | 8.55 | - | (240.57) |
| Impairment loss on trade receivables/ advances | 2.86 | 1.62 | - | 4.48 |
| Tax assets/(liabilities) | 7.57 | 1.45 | 0.12 | 9.14 |

31 March 2017

(₹ in crore)

| Particulars | Net balance 1 April 2016 | Recognised in profit or loss | Recognised in OCI | Net balance 31 March 2017 |
|--|-----------------------------------|------------------------------------|----------------------|------------------------------------|
| Difference in book depreciation and tax depreciation | (2.18) | (0.98) | - | (3.16) |
| Employee benefits | 1.29 | 0.38 | 0.18 | 1.85 |
| Expenses not allowable for income tax in the current year | 6.02 | - | - | 6.02 |
| Change in fair value of investment measured through profit or loss | (0.67) | 0.67 | - | - |
| Finance lease Obligations | 253.92 | (4.80) | - | 249.12 |
| Finance lease receivables | (253.92) | 4.80 | - | (249.12) |
| Impairment loss on trade receivables/ advances | 1.75 | 1.11 | - | 2.86 |
| Tax assets/(liabilities) | 6.21 | 1.18 | 0.18 | 7.57 |

Note No.9 - Income tax assets (net)

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-----------------------------------|---------------------|---------------------|
| Unsecured, considered good | | |
| Advance income tax (net) | 14.78 | 14.04 |
| Advance fringe benefit tax (net) | 0.06 | 0.06 |
| Total | 14.84 | 14.10 |

Note No.10 - Other non-current assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Unsecured, considered good | | |
| Capital advances | 15.71 | 5.21 |
| Advances other than capital advances | | |
| Prepayments | 0.07 | 0.07 |
| Deferred payroll expenditure | 0.22 | 0.24 |
| Total | 16.00 | 5.52 |

The deferred payroll expenditure represents benefits accruing to the employees. The same will be amortised on a straight line basis over the remaining period of the loan.

Note No.11 - Current investments

(₹ in crore)

| Particulars | Quantity as at 31.03.2018 | Quantity as at 31.03.2017 | Amount as at 31.03.2018 | Amount as at 31.03.2017 |
|--|---------------------------|---------------------------|-------------------------|-------------------------|
| Investment in mutual funds | | | | |
| Designated at fair value through profit or loss | | | | |
| Unquoted investment | | | | |
| - Aditya Birla Sun Life Mutual Fund ABSL Cash plus (G) | 3,066,673 | - | 85.66 | - |
| - IDFC Cash Fund Direct Plan (G) | 208,811 | - | 44.06 | - |
| - SBI Magnum Insta Cash Fund Direct-(G) | - | 492,017 | - | 82.41 |
| - LIC MF Liquid Fund-Direct (G) | - | 284,956 | - | 84.03 |
| - UTI Money Market Fund-Growth-DIRECT | - | 242,905 | - | 44.31 |
| - Tata Money Market Fund-Growth- DIRECT | - | 481,147 | - | 48.19 |
| - L&T Liquid Fund-Direct Plan | - | 395,847 | - | 40.09 |
| - DHFL Pramerica Low Duration Fund - Direct Plan - Growth | - | 27,319,415 | - | 62.06 |
| - ICICI Prudential Money Market Fund-Direct (G) | - | 1,639,472 | - | 36.89 |
| - IDFC Money Manager Fund- Direct (G) | - | 14,122,288 | - | 36.36 |
| - Reliance Medium Term Fund Growth | - | 29,586,269 | - | 102.63 |
| - Indiabulls Liquid Fund Growth-Direct | - | 221,652 | - | 35.22 |
| Total | | | 129.72 | 572.19 |
| Aggregate amount of quoted investments and market value thereof | | | - | - |
| Aggregate amount of unquoted investments and market value thereof | | | 129.72 | 572.19 |

Note No.12 - Trade receivables

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|
| Trade receivables | | |
| Unsecured, considered good | 3,270.00 | 3,271.00 |
| Considered doubtful | 11.86 | 7.30 |
| | 3,281.86 | 3,278.30 |
| Less: Impairment allowance for doubtful trade receivables | 11.86 | 7.30 |
| Total | 3,270.00 | 3,271.00 |

- a) Trade receivables are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.
- b) Trade receivables include an amount of ₹16.23 Crore due from Tamil Nadu Electricity Board (TNEB) towards compensation claim. Sole arbitrator gave order unfavourable to the company against which a petition has been filed by the company at Madras high Court. As assessed by the management, the chances of a decision in favour of the company is high as the award has been erroneously passed against the settled law and accordingly is likely to be set aside by the Hon'ble Madras High Court. Further, the Company has a recourse to claim similar amount from PSPCL in case the High Court Order is against the company.

Note No.13 - Cash and cash equivalents

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Cash on hand- Staff Imprest | 0.02 | 0.02 |
| Balances with banks:- | | |
| - in current accounts | 131.46 | 34.06 |
| - Deposits with original maturity upto three months | 150.00 | 133.46 |
| Total | 281.48 | 167.54 |

Note No.14 - Bank balances other than cash and cash equivalents

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|
| Deposits with original maturity of more than three months and maturing at the completion of one year | 9.00 | - |
| Earmarked balances with banks for | | |
| -Unpaid dividend account balance | 1.32 | 1.12 |
| Total | 10.32 | 1.12 |

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at year end.

Note No.15 - Current loans

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Unsecured, considered good | | |
| Loans to employees (including accrued interest) | 0.25 | 0.23 |
| Gross total | 0.25 | 0.23 |

Loans and advances due from directors - NIL.

Note No.16 - Other current financial assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Unsecured, considered good | | |
| Security deposits | | |
| -Related party (PTC Energy Limited- subsidiary company) | 0.24 | 0.24 |
| -Others | 22.60 | 11.19 |
| Finance lease receivables | 40.30 | 37.76 |
| Total | 63.14 | 49.19 |

Note No.17 - Other current assets

(₹ in crore)

| Particulars | As at | As at |
|---|---------------|---------------|
| | 31.03.2018 | 31.03.2017 |
| Unsecured, considered good | | |
| Open access advances | 73.79 | 42.35 |
| Prepayments | 0.29 | 0.37 |
| Advance to suppliers | 29.22 | 41.90 |
| Other advances * | 27.19 | 27.19 |
| Service tax credit | 0.04 | 0.11 |
| Deferred payroll expenditure | 0.03 | 0.03 |
| Interest accrued but not due on fixed deposit | 0.18 | 0.02 |
| Unsecured, considered doubtful | | |
| Advance to suppliers | 0.94 | 0.94 |
| Gross total | 131.68 | 112.91 |
| Less: Impairment allowance for doubtful advances to suppliers | 0.94 | 0.94 |
| Total | 130.74 | 111.97 |

* includes ₹ 20.48 crore (March 2017, ₹ 20.48 crore) deposited with a supplier and ₹ 6.45 crore (March 2017, ₹ 6.45 crore) deposited with Commissioner of custom. (Refer Note No 35)

Note No.18- Share capital
a) Equity share capital

(₹ in crore)

| Particulars | As at | As at |
|--|------------|------------|
| | 31.03.2018 | 31.03.2017 |
| Authorised | | |
| 750,000,000 (previous year 750,000,000) equity shares of ₹10/- each | 750.00 | 750.00 |
| Issued, subscribed and fully paid up | | |
| 296,008,321 (previous year 296,008,321) equity shares of ₹ 10/- each | 296.01 | 296.01 |

b) Movement in equity share capital

| Particulars | Shares | Shares |
|--|-------------|-------------|
| | (Nos.) | (Nos.) |
| | For the | For the |
| | year ended | year ended |
| | 31.03.2018 | 31.03.2017 |
| Outstanding at the beginning of the year | 296,008,321 | 296,008,321 |
| Issued during the year | - | - |
| Outstanding at the end of the year | 296,008,321 | 296,008,321 |

c) Terms and rights attached to each share.

The Company has only one class of equity shares having a par value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

d) Dividend

(₹ in crore)

| Particulars | Paid during the year | |
|--|--|-------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| (i) Equity shares | | |
| Final dividend for the year ended 31 st March 2017 of ₹ 3.00 (31 st March 2016: ₹ 2.50) per fully paid share | 88.80 | 74.00 |
| (ii) Dividends not recognised at the end of the reporting period | In addition to the above dividends, the directors have recommended the payment of a final dividend of ₹ 4.00 (31 st March 2017: ₹ 3.00) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | |

e) Details of shareholders holding more than 5% shares in the Company*

| Name of the shareholders | As at 31.03.2018 | | As at 31.03.2017 | |
|--|------------------|-----------|------------------|-----------|
| | No. of shares | % holding | No. of shares | % holding |
| Life Insurance Corporation of India Limited* | 17,894,820 | 6.05% | 31,091,270 | 10.50% |
| Reliance group* | 20,591,058 | 6.96% | - | - |

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

f) Shares reserved for issue under options

Information relating to PTC India Limited Employee Stock Options Scheme (ESOP), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 48 (g).

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|
| Equity shares for employee stock options (ESOP) (nos.) | 21,000 | 21,000 |

Note No.19 - Other equity

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-----------------------------------|------------------|------------------|
| Securities premium account | 1,590.40 | 1,590.40 |
| Share option outstanding account | 0.12 | 0.12 |
| General reserve | 588.47 | 516.77 |
| Contingency reserve | 1.05 | 1.05 |
| Retained Earnings | 844.72 | 691.35 |
| Other comprehensive income/(loss) | (0.55) | (0.31) |
| FVOCI-Equity investment reserve | (100.48) | (20.51) |
| Total | 2,923.73 | 2,778.87 |

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Reserves & surplus | | |
| (i) Securities premium account | | |
| Opening balance | 1,590.40 | 1,590.40 |
| Sub total (i) | 1,590.40 | 1,590.40 |
| (ii) Share option outstanding account | | |
| Opening balance | 0.12 | 0.12 |
| Sub total (ii) | 0.12 | 0.12 |
| (iii) General reserve | | |
| Opening balance | 516.77 | 435.76 |
| Additions during the year | 71.70 | 81.01 |
| Sub total (iii) | 588.47 | 516.77 |
| (iv) Contingency reserve | | |
| Opening balance | 1.05 | 1.05 |
| Sub total (iv) | 1.05 | 1.05 |
| (v) Retained earnings | | |
| Opening balance | 691.35 | 562.32 |
| Add: Profit for the year | 319.20 | 290.87 |
| Deductions during the year: | | |
| (a) Cash dividend | (88.80) | (74.00) |
| (b) Dividend distribution tax on cash dividend | (5.33) | (6.83) |
| (c) Transfer to general reserve | (71.70) | (81.01) |
| Sub total (v) | 844.72 | 691.35 |
| Total Reserves & surplus (i)+(ii)+(iii)+(iv)+(v) | 3,024.76 | 2,799.69 |
| Other comprehensive income/(loss) | | |
| Opening balance | (0.31) | 0.03 |
| Additions during the year | (0.24) | (0.34) |
| Total other comprehensive income/(loss) | (0.55) | (0.31) |
| FVOCI - Equity investment reserve | | |
| Opening balance | (20.51) | - |
| Additions during the year | (79.97) | (20.51) |
| Total FVOCI - Equity investment reserve | (100.48) | (20.51) |
| Grand Total | 2,923.73 | 2,778.87 |

Nature and purpose of reserves:

Securities premium account

Securities premium account is used to record the premium on issue of shares/ securities. This amount is utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to record the value of equity settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

General Reserve

General Reserve is a free reserve which is created from retained earnings. The Company may pay dividend and issue fully paid-up bonus shares to its members out of the general reserve account, and company can use this reserve for buy-back of shares.

Contingent Reserve

General Reserve is a free reserve which is created from retained earnings. The company may use it to meet any contingency.

Retained Earnings

Retained earnings comprise of the Company's undistributed earnings after taxes.

FVOCI-Equity Investment Reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Note No.20 - Non-current borrowings

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Unsecured loans | | |
| Long term maturities of finance lease obligations | 648.88 | 682.80 |
| Total | 648.88 | 682.80 |

Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Company has ascertained that the PPA entered with one of its suppliers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been recognized as PPE and accounted as Finance Lease Obligations. Paid/ payable amounts against depreciation, interest on loan capital and return on equity (pre-tax) components to the supplier is adjusted against Finance Lease Obligations and interest. The interest component of the Finance Lease Obligations and amount paid on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest expense on assets under finance lease' under Note 32- 'Finance Cost'.

Note No.21 - Non-current provisions

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---------------------------------|---------------------|---------------------|
| Provision for employee benefits | 4.85 | 4.96 |
| Total | 4.85 | 4.96 |

Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 38.

Note No.22 - Trade payables

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Trade payables - micro & small enterprises | - | - |
| Trade payables - others | 2,230.93 | 2,732.10 |
| Total | 2,230.93 | 2,732.10 |

Based on the information available with the Company, there are no dues as at March 31, 2018 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.23 - Other current financial liabilities

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Current maturities of finance lease obligations | 40.30 | 37.76 |
| Unpaid dividend (Refer note below) | 1.32 | 1.12 |
| Other payables | | |
| Security deposits received | 6.35 | 5.89 |
| Payable to employees | 4.30 | 3.86 |
| Total | 52.27 | 48.63 |

Unpaid dividends are the amounts which have not been claimed by the investors. There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at year end.

Note No.24 - Other current liabilities

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-------------------------|---------------------|---------------------|
| Advances from customers | 49.00 | 50.31 |
| Statutory dues | 5.51 | 3.46 |
| Total | 54.51 | 53.77 |

Note No.25 - Current provisions

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---------------------------------|---------------------|---------------------|
| Provision for employee benefits | 0.13 | 0.58 |
| Total | 0.13 | 0.58 |

Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 38.

Note No.26 - Current tax liabilities (net)

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------------|---------------------|---------------------|
| Current tax (net of advance tax) | 2.62 | 6.37 |
| Total | 2.62 | 6.37 |

Note No.27 - Revenue from operations

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------------|-------------------------------------|
| Income from Operations | | |
| Sale of electricity | 17,873.86 | 13,761.22 |
| Other operating income | | |
| Lease rental on assets under operating lease (Refer note below) | 184.97 | 193.40 |
| Sale of services (consultancy) | 11.62 | 8.37 |
| Surcharge on sale of power (Refer Note 48(f) (i) & (ii)) | 118.59 | 111.84 |
| Total | 18,189.04 | 14,074.83 |

Considering the provisions of Appendix C to Ind AS-17 on Leases w.r.t. determining whether an arrangement contains a lease, the Company has ascertained that the PSA entered with one of its customers falls under operating lease. Recovery of amounts against depreciation, interest on loan capital and return on equity (pre-tax) from the customer are considered as lease rental on the assets under operating lease.

Note No.28 - Other income

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------------|-------------------------------------|
| Interest from financial assets at amortised cost | | |
| -Deposit with banks | 1.38 | 1.03 |
| -Loan to employees | 0.10 | 0.10 |
| ‘-Interest income on assets under finance lease (Refer note (a) below) | 115.62 | 132.95 |
| Dividend from | | |
| - Long-term investment in subsidiaries | 62.62 | 40.47 |
| ‘-Current investments in mutual funds measured at fair value through profit or loss | 18.95 | 24.27 |
| Other non-operating income | | |
| - Profit on sale/redemption of investments (net) (Refer note (b) below) | 3.89 | 10.33 |
| ‘-Liabilities no longer required written back | - | 29.48 |
| - Rental income | 0.05 | 0.02 |
| - Exchange gain (net) | 0.03 | (1.19) |
| ‘-Miscellaneous income (Refer note (c) below) | 0.47 | 0.53 |
| Total | 203.11 | 237.99 |

- a) Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Company has ascertained that the PSA entered with one of its customers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivables. Recovery of amounts against depreciation, interest on loan capital and return on equity (pre-tax) components from the customer is adjusted against Finance Lease Receivables and interest. The interest component of the Finance Lease Receivables and amount received on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest income on assets under finance lease'.
- b) Profit on sale/ redemption of investment includes fair value gain on financial instruments measured at fair value through profit or loss.
- c) Miscellaneous income includes mainly the amount of director sitting fee received from several entities.

Note No.29- Purchases

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--------------------------|-------------------------------------|-------------------------------------|
| Purchases of electricity | 17,563.38 | 13,479.27 |
| Total | 17,563.38 | 13,479.27 |

Note No.30 - Operating expenses

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| Lease rental expenses on assets under operating lease (Refer note below) | 184.97 | 193.40 |
| Surcharge expenses (Refer note 48 (f) (i) & (ii)) | 4.46 | 16.67 |
| Total | 189.43 | 210.07 |

Considering the provisions of Appendix C to Ind AS-17 on Leases w.r.t. determining whether an arrangement contains a lease, the Company has ascertained that the PPA entered with one of its suppliers falls under operating lease. Paid/payables amounts against depreciation, interest on loan capital and return on equity (pre-tax) to the supplier are considered as lease rental expenses on the assets under operating lease.

Note No.31 - Employee benefit expense

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--------------------------------|-------------------------------|-------------------------------|
| Salaries and wages | 27.08 | 25.58 |
| Contribution to provident fund | 0.98 | 0.95 |
| Gratuity | 0.81 | 0.41 |
| Staff welfare expenses | 1.55 | 1.72 |
| Total | 30.42 | 28.66 |

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 38.

Note No.32 - Finance costs

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| Interest expense on assets under finance lease (Refer Note (a) below) | 115.70 | 133.03 |
| Interest expense on financial liabilities measured at amortised cost (Refer Note (b) below) | 0.80 | 0.78 |
| Interest on payment of income tax | 0.78 | 0.78 |
| Total | 117.28 | 134.59 |

a) Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Company has ascertained that the PPA entered with one of its suppliers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been recognized as PPE and accounted as Finance Lease Obligations. Paid/ payable amounts against depreciation, interest on loan capital and return on equity (pre-tax) components to the supplier is adjusted against Finance Lease Obligations and interest. The interest component of the Finance Lease Obligations and amount paid on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest expense on assets under finance lease'.

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.33 - Other expenses

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| Rent | 1.21 | 1.17 |
| Repairs to building | 0.86 | 0.74 |
| Repairs to machinery - wind mill | 1.02 | 0.96 |
| Insurance | 0.10 | 0.10 |
| Rates and taxes | 0.70 | 0.70 |
| Payment to auditors (refer note (a) below) | 0.15 | 0.14 |
| Legal & professional charges | 4.71 | 2.66 |
| Consultancy expenses | 9.12 | 7.50 |
| Advertisement | 0.34 | 0.14 |
| Communication | 0.66 | 0.73 |
| Business development | 1.45 | 1.61 |
| Travelling and conveyance expenses | 3.66 | 3.06 |
| Printing & stationery | 0.33 | 0.34 |
| Fees & expenses to directors | 0.55 | 0.64 |
| Repair & maintenance - others | 0.59 | 0.74 |
| Bank charges | 2.32 | 2.65 |
| EDP expenses | 0.13 | 0.15 |
| Books & periodicals | 0.08 | 0.02 |
| Water & electricity expenses | 0.80 | 0.76 |
| Bad debts/ advances written off | 1.17 | 15.99 |
| Impairment allowance for doubtful debts/ advances | 4.56 | 3.20 |
| Security expenses | 0.37 | 0.27 |
| Property tax | 0.09 | 0.09 |
| Donation | 0.01 | - |
| Corporate social responsibilities expenses (CSR) (refer note 47) | 5.00 | 1.34 |
| Application fee / tender fee | 2.34 | 1.44 |
| Miscellaneous expenses * | 1.72 | 1.35 |
| Total | 44.04 | 48.49 |

* Miscellaneous expenses include AGM expenses, diwali expenses, annual day expenses, scheduling charges etc.

a) Details in respect of payment to auditors

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| As auditor | | |
| Audit fee | 0.10 | 0.09 |
| Tax audit fees | 0.01 | 0.01 |
| In other capacity | | |
| Other services (including certification) | 0.03 | 0.03 |
| Reimbursement of expenses | 0.01 | 0.01 |
| Total* | 0.15 | 0.14 |

* inclusive of service tax / GST

Note No.34 - Exceptional items

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| Profit/ (loss) on sale of fixed assets (net) | 0.02 | (0.02) |
| Total | 0.02 | (0.02) |

Note No.35 - Contingent liabilities and commitments

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| 1. Contingent liabilities (to the extent not provided for) | | |
| a) Claims against the Company not acknowledged as debt: (Refer Note (i) below) | 217.19 | 201.03 |
| b) Income tax liability that may arise in respect of matters in appeal preferred by the department/ company (Refer Note (ii)) | 294.00 | 224.21 |
| c) Customs duty liability that may arise in respect of matters in appeal (Refer Note (ii)) | 17.16 | 17.16 |
| 2. Commitments Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 41.34 | 41.44 |

Notes

- i) Claims against the Company not acknowledged as debt include:
- The company had an arrangement with a supplier for purchase of power. The supplier claimed that the company did not off take the offered surplus power and claimed a damage of ₹ 84.95 Crore (31 March 2017: ₹ 84.95 crore). The arbitrator concluded the arbitration in favour of the company, however, the supplier has contested the award at High Court.
 - The company had an arrangement with a supplier for purchase of power. However, due to the prevalent market situation, the company was unable to find a buyer for power from the supplier for most of the period. The supplier raised a compensation bill of ₹ 43.28 Crore (31 March 2017: ₹ 43.28 crore) for non-supply of power. The matter is pending at Supreme Court. The company has paid a deposit amounting to ₹ 20.48 crore which is subject to the outcome of the appeal before the Appellate Tribunal.
 - Pending resolution of the issues with a supplier, the company has estimate a contingency liability of ₹ 84.52 crore (31 March 2017 ₹ 68.36 crore) towards his claims.
- ii) Disputed income tax/custom duty pending before various forums/ authorities amount to ₹ 311.16 crore (31 March 2017: ₹ 241.37 crore). Many of these matters were adjudicated in favour of the Company but are disputed before higher forums/ authorities by the concerned departments.
- The company has paid a deposit amounting to ₹ 6.45 crore against custom duty which is subject to the outcome of the appeal.
- iii) Pending resolution of the respective proceedings, it is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 84.52 crore (31 March 2017: ₹ 68.36 crore), for which Company envisages possible reimbursement from the one of its suppliers in full.

Commitments

- Estimated amount of contracts remaining to be executed on capital account (property, plant & equipment and intangible assets) and not

provided for as at 31 March 2018 is ₹ 41.34 crore (31 March 2017: ₹ 41.44 crore). The details is as under:-

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-------------------------------|------------------|------------------|
| Property, plant and equipment | 41.20 | 41.20 |
| Intangible assets | 0.14 | 0.24 |

- In respect of investments of ₹ 1408.89 crore (31 March 2017: ₹ 1408.89 crore) in subsidiary Companies, the company has restrictions for their disposal as at 31 March 2018 as under:

(₹ in crore)

| Name of the Subsidiary | Period of restrictions for disposal of investments as per related agreements | Carrying amount | |
|--------------------------------------|---|-----------------|-----------------|
| | | 31 March 2018 | 31 March 2017 |
| PTC India Financial Services Limited | The company holds 41,74,50,001 equity shares of PTC India Financial Services Limited as on 31.03.2018. Lock in period of 8,02,00,000 shares stands released on 28.02.2020. | 754.77 | 754.77 |
| PTC Energy Limited | The company has to own not less than 51% of the equity share capital during the tenure of the loans taken by PTC Energy Limited. | 654.12 | 654.12 |
| Total | | 1,408.89 | 1,408.89 |

- In respect of investments of ₹ 184.55 crore (31 March 2017: ₹ 165.65 crore) in other Companies, the Company has restrictions for their disposal as at 31 March 2018 as under:

(₹ in crore)

| Name of the Company | Period of restrictions for disposal of investments as per related agreements | Carrying amount | |
|---------------------|--|-----------------|---------------|
| | | 31 March 2018 | 31 March 2017 |
| Teesta Urja Limited | GOS shall consider the proposal of any shareholder to divest its equity share after the completion of two years from the Commercial Operation date of the project or earlier on mutual beneficial terms. | 184.55 | 165.65 |
| Total | | 184.55 | 165.65 |

Note No.36 - Disclosure as per Ind AS 12 'Income taxes'
(a) Income tax expense

- Income tax recognised in Statement of Profit and Loss

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| Current tax expense | | |
| Current tax | 127.02 | 119.32 |
| Deferred tax expense | | |
| Origination and reversal of temporary differences | (1.45) | (1.18) |
| Total income tax expense | 125.57 | 118.14 |

ii) Income tax recognised in other comprehensive income

(₹ in crore)

| Particulars | For the year ended 31 March 2018 | | | For the year ended 31 March 2017 | | |
|---|-------------------------------------|--------------------------------|----------------|-------------------------------------|--------------------------------|----------------|
| | Before tax | Tax benefit / (Expenses) | Net of tax | Before tax | Tax benefit / (Expenses) | Net of tax |
| Remeasurements of post-employment benefit obligations | (0.36) | 0.12 | (0.24) | (0.52) | 0.18 | (0.34) |
| Equity instruments through other comprehensive income | (79.97) | - | (79.97) | (20.51) | - | (20.51) |
| Total | (80.33) | 0.12 | (80.21) | (21.03) | 0.18 | (20.85) |

iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in crore)

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|--|--|--|
| Profit before tax | 444.77 | 409.01 |
| Tax using the Company's domestic tax rate of 34.608% (31 March 2017 - 34.608%) | 153.93 | 141.55 |
| Tax effect of: | | |
| Non-deductible tax expenses | 3.08 | 2.73 |
| Tax-exempt income | (29.99) | (24.96) |
| Others | (0.01) | - |
| Current tax provision (a) | 127.02 | 119.32 |
| Deferred Tax on account of finance lease obligations and other items | 8.78 | 5.78 |
| Deferred tax on account of finance lease receivable and other items | (10.23) | (6.96) |
| Deferred tax provision (b) | (1.45) | (1.18) |
| Tax Expenses recognised in Statement of Profit and Loss (a+b) | 125.57 | 118.14 |
| Effective Tax Rate | 28.23% | 28.88% |

(b) Tax losses carried forward

(₹ in crore)

| Particulars | 31 March 2018 | Expiry date | 31 March 2017 | Expiry date |
|--|---------------------|-------------|---------------------|----------------|
| Unused tax losses for which no deferred tax asset has been recognised | | | | |
| Long Term Capital Losses | 24.91 | 31 .03.2019 | 24.91 | 31 .03.2019 |
| Long Term Capital Losses | 48.96 | 31.03.2024 | 48.96 | 31.03.2024 |
| Total | 73.87 | | 73.87 | |
| Potential tax benefit at the tax rate of 23.30% (March 2017, 23.07%) | 17.21 | | 17.04 | |

Deferred tax assets have not been recognised in respect of the tax losses incurred by the Company that is not likely to generate long term capital taxable income in the foreseeable future.

(c) Unrecognised deferred tax assets and liabilities

(i) Unrecognized deferred tax liabilities

There is no unrecognized deferred tax liabilities

(ii) Unrecognized deferred tax assets

Deferred tax assets have not been recognized on provision for impairment in value of investment, long term Capital losses and decrease in fair value of investments through FVOCI as there is no certainty of its realisation.

(d) Dividend distribution tax on proposed dividend not recognised at the end of the reporting period

Since year end, the directors have recommended the payment of final dividend amounting to ₹ 118.40 crore (31 March 2017: ₹ 88.80 crore). The dividend distribution tax on this proposed dividend amounting to ₹ 24.34 crore (31 March 2017: ₹ 18.06 crore) has not been recognised since this proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Note No.37 - Disclosure as per Ind AS 17 'Leases'

a) Operating leases

i. Leases as lessee

- The Company's leasing arrangements are in respect of operating leases of premises for office. An amount of ₹ 1.21 crore (31 March 2017: ₹ 1.17 crore) towards lease payments in respect of premises for offices are included under 'Rent' in Note 33.
- The Company has classified the arrangement with one of its suppliers as lease based on the principles enunciated in Appendix C of Ind AS 17 and accounted for as operating lease in accordance with those principles. An amount of ₹ 184.97 crore (31 March 2017: ₹ 193.40 crore) towards lease payments in respect of the arrangement are included under Lease rental expenses on assets under operating lease' in Note 30-'Operating expenses'.
- The future minimum lease payments (MLPs) under non-cancellable leases in respect of the operating leases are as follows:

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------|---------------------|---------------------|
| Less than one year | 176.51 | 186.03 |
| Between one and five years | 621.60 | 655.38 |
| More than five years | 1,471.77 | 1,614.50 |
| Total | 2,269.88 | 2,455.91 |

ii. Leases as lessor

- The Company has classified the arrangement with one of its customers as lease based on the principles enunciated in Appendix C of Ind AS 17 and accounted for as operating lease in accordance with those principles. An amount of ₹ 184.97 crore (31 March 2017: ₹ 193.40 crore) towards lease receipts in respect of the arrangement are included under 'Lease rentals on asset under operating lease' in Note 27- Revenue from operations. The future minimum lease payments (MLPs) under non-cancellable leases in respect of the same are as follows:

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------|---------------------|---------------------|
| Less than one year | 176.51 | 184.96 |
| Between one and five years | 621.60 | 655.38 |
| More than five years | 1,471.77 | 1,614.50 |
| Total | 2,269.88 | 2,454.84 |

b) Finance leases
i Leases as lessee

- a) Leasehold land acquired by the Company are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognised as 'Finance lease obligations' at their present values. The leasehold land is amortised considering the significant accounting policies of the Company.
- b) The Company has classified the arrangement with one of its suppliers in the nature of lease based on the principles enunciated in Appendix C of Ind AS 17, 'Leases' and accounted for as finance lease in accordance with those principles.
- c) The future minimum lease payments (MLPs) under non-cancellable leases in respect of the same are as follows:

(₹ in crore)

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---------------------|----------------------|---------------------|----------------------|
| | MLPs | Present value of MLP | MLPs | Present value of MLP |
| Less than one year | 133.49 | 40.30 | 144.72 | 37.76 |
| Between one and five years | 477.53 | 160.63 | 639.16 | 191.16 |
| More than five years | 1,769.96 | 488.25 | 1,825.21 | 491.64 |
| Total minimum lease payments | 2,380.98 | 689.18 | 2,609.09 | 720.56 |
| Less amounts representing unearned finance income | 1,691.80 | | 1,888.52 | |
| Present value of minimum lease payments | 689.18 | 689.18 | 720.56 | 720.56 |

ii Leases as lessor

The Company has classified the arrangement with one of its customers in the nature of lease based on the principles enunciated in Appendix C of Ind AS 17, 'Leases' and accounted for as finance lease in accordance with those principles. The future minimum lease payments (MLPs) under non-cancellable leases in respect of the same are as follows:

(₹ in crore)

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---------------------|----------------------|---------------------|----------------------|
| | MLPs | Present value of MLP | MLPs | Present value of MLP |
| Less than one year | 133.41 | 40.30 | 144.64 | 37.76 |
| Between one and five years | 477.20 | 160.63 | 638.83 | 191.16 |
| More than five years | 1,764.54 | 487.54 | 1,819.71 | 490.93 |
| Total minimum lease payments | 2,375.15 | 688.47 | 2,603.17 | 719.85 |
| Less amounts representing unearned finance income | 1,686.68 | | 1,883.32 | |
| Present value of minimum lease payments | 688.47 | 688.47 | 719.85 | 719.85 |

Note No.38 - Disclosure as per Ind AS 19 'Employee benefits'
(i) Defined contribution plans:
A. Provident fund

The Company pays fixed contribution to provident fund to the appropriate authorities. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. An amount of ₹ 0.98 crore (31 March 2017: ₹ 0.95 crore) for the year is recognised as expense on this account and charged to the Statement of Profit and Loss.

(ii) Defined benefit plans:
A. Gratuity-Funded

- a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary) for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ in crore)

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|--|---------------------|---------------------|
| Net defined benefit (asset)/liability : | | |
| Non-current | 0.49 | 1.77 |
| Current | - | - |
| Total | 0.49 | 1.77 |

Movement in net defined benefit (asset)/liability for the year

(₹ in crore)

| Particulars | Defined benefit obligation | | Fair value of plan assets | | Net defined benefit (asset) liability | |
|--|----------------------------|---------------|---------------------------|---------------|---------------------------------------|---------------|
| | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Opening balance | 2.32 | 1.73 | 0.55 | 0.69 | 1.77 | 1.04 |
| Included in profit or loss: | | | | | | |
| Current service cost | 0.40 | 0.31 | - | - | 0.40 | 0.31 |
| Past service cost | 0.28 | - | - | - | 0.28 | - |
| Interest cost (income) | 0.17 | 0.15 | (0.04) | (0.06) | 0.13 | 0.09 |
| Total amount recognised in profit or loss | 0.85 | 0.46 | (0.04) | (0.06) | 0.81 | 0.41 |

Included in OCI:

(₹ in crore)

| | | | | | | |
|--|-------------|-------------|---------------|-------------|-------------|-------------|
| Actuarial loss (gain) arising from: | | | | | | |
| Demographic assumptions | - | 0.03 | - | - | - | 0.03 |
| Financial assumptions | 0.42 | 0.42 | (0.03) | 0.01 | 0.39 | 0.43 |
| Experience adjustment | (0.16) | (0.13) | - | - | (0.16) | (0.13) |
| Expenses for employee on deputation | 0.01 | (0.01) | - | - | 0.01 | (0.01) |
| Total amount recognised in other comprehensive income | 0.27 | 0.31 | (0.03) | 0.01 | 0.24 | 0.32 |

Other

(₹ in crore)

| | | | | | | |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Contributions paid by the employer | - | - | 2.33 | - | (2.33) | - |
| Benefits paid | (0.11) | (0.18) | (0.11) | (0.18) | - | - |
| Closing balance | 3.33 | 2.32 | 2.84 | 0.55 | 0.49 | 1.77 |

B. Post-Retirement Medical Benefits (PRMB)- Non-funded

The Company has Post-Retirement Medical Facility Benefits (PRMB), under which the eligible retired employees and their spouses are provided medical facilities and an out-patient actual medical reimbursement subject to a ceiling fixed by the Company. The liability for the same is recognised annually on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the PRMF and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ in crore)

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|--|---------------------------|---------------------------|
| Net defined benefit (asset)/liability : | | |
| Non-current | 0.03 | 0.45 |
| Current | 0.57 | 0.03 |
| Total | 0.60 | 0.48 |

Movement in net defined benefit (asset)/liability for the year

(₹ in crore)

| Particulars | Defined benefit obligation | |
|--|----------------------------|------------------|
| | 31 March 2018 | 31 March 2017 |
| Opening balance | 0.48 | 0.30 |
| Included in profit or loss: | | |
| Current service cost | 0.01 | 0.01 |
| Interest cost | 0.03 | - |
| Total amount recognised in profit or loss | 0.04 | 0.01 |

Included in OCI:

(₹ in crore)

| | | |
|--|-------------|-------------|
| Actuarial loss (gain) arising from: | | |
| Financial assumptions | 0.06 | 0.05 |
| Experience adjustment | 0.06 | 0.15 |
| Total amount recognised in other comprehensive income | 0.12 | 0.20 |

Contributions paid by the employer

(₹ in crore)

| | | |
|------------------------|-------------|-------------|
| Benefits paid | (0.04) | (0.03) |
| Closing balance | 0.60 | 0.48 |

C. Plan assets

Plan assets comprise the following

(₹ in crore)

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|--|---------------------------|---------------------------|
| Net defined benefit (asset)/liability : | | |
| Insurer Managed Funds | 97.54% | 87.75% |
| Current Bank Account | 2.46% | 12.25% |
| Total | 100% | 100% |

Actual return on plan assets is ₹ 0.07 crore (31 March 2017: ₹ 0.04 crore).

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|-------------------|-------------------|
| Discount rate | 7.71% | 7.54% |
| Retirement Age | 60/62 | 60/62 |
| Expected return on plan assets-Gratuity | 7.71% | 7.54% |
| Withdrawal rate | 1-3% | 1-3% |
| In service mortality | IALM (2006-08) | IALM (2006-08) |
| Salary escalation rate | 8.25% | 7.00% |

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. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in crore)

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---------------|----------|---------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (0.50% movement) | (0.20) | 0.22 | (0.15) | 0.16 |
| Salary escalation rate (0.50% movement) | 0.22 | (0.20) | 0.16 | (0.15) |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

E. Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

a) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

b) **Changes in discount rate**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets holdings.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods.

F. **Expected maturity analysis of the defined benefit plans in future years**

(₹ in crore)

| Particulars | Less than 1 year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---|------------------|-------------------|-------------------|--------------|-------------|
| 31 March 2018 | | | | | |
| Gratuity | 0.09 | 0.06 | 0.60 | 2.58 | 3.33 |
| Post-retirement medical facility (PRMF) | 0.03 | 0.00 | 0.02 | 0.06 | 0.11 |
| Total | 0.12 | 0.06 | 0.62 | 2.64 | 3.44 |

(₹ in crore)

| Particulars | Less than 1 year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---|------------------|-------------------|-------------------|--------------|-------------|
| 31 March 2017 | | | | | |
| Gratuity | 0.14 | 0.04 | 0.26 | 1.88 | 2.32 |
| Post-retirement medical facility (PRMF) | 0.03 | 0.02 | - | 0.03 | 0.08 |
| Total | 0.17 | 0.06 | 0.26 | 1.91 | 2.40 |

Expected contributions to post-employment benefit plans for the year ending 31 March 2019 are ₹ 0.50 crore.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is as under:-

(₹ in crore)

| Particulars | 31 March, 2018 | 31 March, 2017 |
|---|----------------|----------------|
| Gratuity | 16.88 | 17.40 |
| Post-retirement medical facility (PRMF) | 5.69 | 5.96 |

(iii) **Other long term employee benefit plans**

Leave

The Company provides for earned leave benefit (including compensated absences), non-encashable leave (NEL) and half-pay leave (not applicable for new employee joining after November, 2008) to the employees of the Company which accrue annually at 34 days, 6 days and 20 days respectively. Earned leave (EL) is encashable while in service whereas NEL is non-encashable while in service. Total number of leave (i.e. EL & NEL combined) that can be encashed on superannuation shall be restricted to 300 days and in addition to this half-pay leave is encashable upto 150 days. The scheme is unfunded and liability for the same is recognised on

the basis of actuarial valuation. A provision of ₹ 1.09 crore (31 March 2017: ₹ 1.12 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

Note No.39 - Disclosure as per Ind AS 24 'Related Party Disclosures'

a) **List of Related parties:**

i) **Subsidiaries:**

1. PTC India Financial Services Limited
2. PTC Energy Limited

ii) **Associates:**

Krishna Godavari Power Utilities Limited

iii) **Key Managerial Personnel (KMP):**

A) **Whole time directors**

Shri Deepak Amitabh Chairman and Managing Director
 Shri Arun Kumar Director (Finance) & CFO
 (Ceased to be director w.e.f. 14th Dec, 2017)
 Shri Ajit Kumar Director (Commercial & Operations)
 Dr. Rajib Kumar Mishra Director (Marketing & Business Development)

B) **Non-whole time directors**

Shri Anil Razdan (ceased w.e.f. 9th January 2018)
 Shri Dharendra Swarup (ceased w.e.f. 9th January 2018)
 Shri Dipak Chatterjee (ceased w.e.f. 15th April 2017)
 Shri H.L. Bajaj (ceased w.e.f. 9th January 2018)
 Shri Krishna Singh Nagnyal / Shri Hemant Bhargava (w.e.f. 29th April 2017)
 (Nominee director of Life Insurance Corporation of India) (ceased w.e.f. 20th October 2016),
 Shri S Balachandran (ceased w.e.f. 31st March 2016)
 Shri Ved Kumar Jain (ceased w.e.f. 7th December 2016)
 Ms. Sushama Nath (w.e.f. 20th December 2017)
 Ms. Bharti Prasad (w.e.f. 20th December 2017)
 Shri Rakesh Kacker (w.e.f. 23rd March 2017)
 Shri Jayant Purushottam Gokhale (w.e.f. 16th March 2017)

iv) **Entities having significance influence on the company**

1. NTPC Limited.
2. Power Grid Corporation of India Limited.
3. Power Finance Corporation Limited
4. NHPC Limited

v) **Other Related Parties:**

PTC Foundation
 PTC India Gratuity Trust

b) Transactions with the related parties are as follows:

(₹ in crore)

| Name of Related Party | Influence | Nature of Transaction | Year ending March 31, 2018 | Year ending March 31, 2017 |
|--|--|---|----------------------------|--------------------------------|
| NTPC Limited. | Entities having significance influence on the company | Director sitting fees for its nominee directors | 0.05 | 0.06 |
| Power Grid Corporation of India Limited. | | Director sitting fees for its nominee directors | 0.02 | 0.01 |
| Power Finance Corporation Limited | | Services received (wheeling charges) | 0.18 | - |
| NHPC Limited | | Director sitting fees for its nominee directors | 0.03 | 0.03 |
| | | Director sitting fees for its nominee directors | 0.02 | 0.03 |
| | | Electricity traded through IEX | - | 57.75 |
| | | Services charges (IEX) (excluding service tax) | - | 0.72 |
| Shri Anil Razdan | Non-whole time directors | Director sitting fee | 0.08 | 0.11 |
| Shri Dharendra Swarup | | | 0.08 | 0.13 |
| Shri Dipak Chatterjee | | | - | 0.10 |
| Shri H.L. Bajaj | | | 0.06 | 0.06 |
| Life Insurance Corporation of India for its nominee director Shri Hemant Bhargava / Shri Krishna Singh Nagnyal | | | 0.01 | 0.02 |
| Shri Jayant Purushottam Gokhale | | | 0.07 | - |
| Shri Rakesh Kacker | | | 0.08 | - |
| Ms. Sushama Nath | | | 0.02 | - |
| Ms. Bharti Prasad | | | 0.02 | - |
| Shri Ved Kumar Jain | | | - | 0.09 |
| PTC India Finance Services Limited | | | Subsidiaries | Director sitting fees received |
| | Dividend received from subsidiary | 62.62 | | 40.47 |
| | Equity investment made by the Company in the subsidiary | - | | 308.77 |
| | Payment of expenses etc by the subsidiary on behalf of the Company | 0.005 | | - |
| | Payment of expenses on behalf of the subsidiary | 0.46 | | 0.33 |
| PTC Energy Limited | Director sitting fees received | 0.07 | | 0.14 |
| | Payment of expenses etc on behalf of the subsidiary | 0.05 | | 0.03 |
| | Recovery of cost of employees on deputation in subsidiary | 0.12 | | 0.07 |
| | Equity investment made by the Company in the subsidiary | - | | 513.43 |
| | Payment of expenses etc by the subsidiary on behalf of the Company | 0.11 | | 0.15 |
| | Rent paid (including service tax/ GST) | 1.19 | | 1.17 |
| | Liabilities of Leave & Gratuity transfer | - | 0.02 | |
| | Transfer of Fixed assets to subsidiary | - | 0.0011 | |
| PTC Foundation | Contribution for CSR | 4.99 | 0.34 | |
| | Recovery of cost of employees on deputation in Controlled trust | 0.25 | - | |
| | Rental income (including service tax/ GST) | 0.03 | - | |

| Compensation to Key management personnel | Influence | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---------------------|---------------------------|---------------------------|
| Shri Deepak Amitabh | Whole time director | 1.51 | 1.20 |
| - Short term employee benefits | | 1.32 | 1.12 |
| - Post employment benefits | | 0.11 | 0.01 |
| - Other long term benefits | | 0.08 | 0.07 |
| Dr. Rajib Kumar Mishra | | 1.10 | 0.97 |
| - Short term employee benefits | | 1.03 | 0.90 |
| - Post employment benefits | | 0.03 | 0.03 |
| - Other long term benefits | | 0.04 | 0.04 |
| Shri Ajit Kumar | | 1.10 | 0.94 |
| - Short term employee benefits | | 1.05 | 0.89 |
| - Post employment benefits | | 0.02 | 0.02 |
| - Other long term benefits | | 0.03 | 0.03 |
| Shri Arun Kumar | | 0.80 | 0.97 |
| - Short term employee benefits | | 0.80 | 0.88 |
| - Post employment benefits | | - | 0.01 |
| - Other long term benefits | | - | 0.08 |
| Total Compensation to Key management personnel | | 4.51 | 4.08 |

Investment Outstanding without impairment allowance for long term investment
(₹ in crore)

| Name of the company | Relationship | As at 31.03.2018 | As at 31.03.2017 |
|--|--------------|------------------|------------------|
| PTC Energy Limited | Subsidiary | 654.12 | 654.12 |
| PTC India Financial Services Limited | Subsidiary | 754.77 | 754.77 |
| Krishna Godavari Power Utilities Limited | Associate | 37.55 | 37.55 |

Provision for impairment loss

(₹ in crore)

| Name of the company | Relationship | As at 31.03.2018 | As at 31.03.2017 |
|--|--------------|------------------|------------------|
| Krishna Godavari Power Utilities Limited | Associate | 37.55 | 37.55 |

Balance Outstanding

(₹ in crore)

| Name of the company | Relationship | Nature | As at 31.03.2018 | As at 31.03.2017 |
|---------------------|------------------|-----------------------------|------------------|------------------|
| PTC Energy Limited | Subsidiary | Security Deposit Receivable | 0.24 | 0.24 |
| PTC Foundation | Controlled Trust | Balance payable | - | 0.24 |

Terms and conditions of transactions with the related parties

- (a) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

- (b) The Company is deputing its employees to Subsidiaries as per the terms and conditions agreed between the companies, which are similar to those applicable for deputation of employees to other companies and institutions. The cost incurred by the company towards superannuation and employee benefits are recovered from these companies.
- (c) Consultancy services provided by the Company to Subsidiaries are generally on nomination basis at the terms, conditions and principles applicable for consultancy services provided to other parties.
- (d) The company has taken/given office space on lease from/to subsidiary company. The rent and other terms and conditions are fixed after mutual discussion and after taking into account the prevailing market conditions.
- (e) Outstanding balances of Subsidiaries and other related parties at the year-end, are unsecured and interest free and settlement occurs through banking transaction. For the year ended 31 March 2018, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note No.40 - Disclosure as per Ind AS 27 'Separate financial statements'

- a) **Investment in Subsidiaries:***

(₹ in crore)

| Company Name | Country of incorporation | Proportion of ownership interest (%) | |
|--------------------------------|--------------------------|--------------------------------------|------------------|
| | | As at 31.03.2018 | As at 31.03.2017 |
| PTC Financial Services Limited | India | 64.99 | 64.99 |
| PTC Energy Limited | India | 100.00 | 100.00 |

b) Investment in an Associates:*

(₹ in crore)

| Company Name | Country of incorporation | Proportion of ownership interest | |
|--|--------------------------|----------------------------------|------------------|
| | | As at 31.03.2018 | As at 31.03.2017 |
| Krishna Godavari Power Utilities Limited | India | 49.00 | 49.00 |

* Equity investments in subsidiaries and associate are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

Note No.41 - Earning per equity share

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| Opening equity shares | 296,008,321 | 296,008,321 |
| Equity shares issued during the year | - | - |
| Closing equity shares | 296,008,321 | 296,008,321 |
| Weighted average number of equity shares used as denominator for basic earnings | 296,008,321 | 296,008,321 |
| Weighted average number of equity shares resulting from assumed exercise of employee stock options | 21,000 | 21,000 |
| Weighted average number of equity shares used as denominator for diluted earnings | 296,029,321 | 296,029,321 |
| Net profit after tax used as numerator (amount in ₹ crore) | 319.20 | 290.87 |
| Basic earnings per share (amount in ₹) | 10.78 | 9.83 |
| Diluted earnings per share (amount in ₹) | 10.78 | 9.83 |
| Face value per share (amount in ₹) | 10.00 | 10.00 |

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these Financial Statements.

Note No.42 - Disclosure as per Ind AS 36 'Impairment of Assets'

As required by Ind AS 36, an assessment of impairment of assets was carried out and based on such assessment, the Company has accounted impairment losses as below:

The Company has invested ₹ 37.55 crore as 49% of equity in its associate "Krishna Godavari Power Utilities Limited (KGPUL)" for 60 MW Thermal imported coal based project. The project was 90% completed and further progress on the project was stopped due to paucity of funds. One of the lenders has carried out the valuation of assets of the project and based on the valuation report, the company has recognized an impairment loss of ₹ 37.55 crore in respect of such investment in FY 2015-16.

Also, refer Note No. 43 for "Reconciliation of impairment loss provisions".

Note No.43 . Financial Risk Management

The Company's principal financial liabilities comprise trade payables and other payables including financial obligations. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets are trade & other receivables including lease receivables, current investments and cash and short-term deposits that derive directly from its operations. The Company also holds equity investments in subsidiaries, associate companies and other companies.

"The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk"

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

| Risk | Exposure arising from | Measurement | Management |
|-------------------------------------|---|---|---|
| Credit Risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost. | "Ageing analysis Credit ratings" | Investment policy for bank deposits, credit limits and letters of credit/bank guarantee. |
| Liquidity risk | Other liabilities | Rolling cash flow forecasts | "Availability of committed credit lines. Monitoring of receivables and exposure limit" |
| Market risk – foreign currency risk | "- Future commercial transactions - Recognised financial assets and liabilities not denominated in Indian rupee (₹)" | "Cash flow forecasting Sensitivity analysis" | Foreign currency risk management policy. Hedging mechanism |
| Market risk – Equity price risk | Investments in equity securities | Sensitivity analysis. IRR expectation | Invested as per strategic decisions made by the Board. Nominee in the board of investee company |
| Market risk – net asset value | Investments in mutual funds | Sensitivity analysis | Investment limits, performance ratings etc |

Risk management framework

The Company's activities make risk an integral and unavoidable component of business. The company manages risks in a proactive and effective manner and has taken adequate measures to address such concerns by developing adequate systems and practices.

In order to institutionalize the risk management process in the Company, there is a Risk Management Group (RMG) and an elaborate Risk Management Policy (RMP) has been formulated.

Governance Framework

The Governance framework of the Risk Management process is constituted by three layers of authority:

- i) Board of Directors and Audit Committee
- ii) Executive Management Team
- iii) Functional Head(s)

The process of escalation to and monitoring of risks by the three layers in the Governance framework is built around the following key facilitating roles. A cross functional team approach has been followed to establish a workable and business focused risk management process in the PTC Group.

- i) Chief Risk Officer (reporting to Audit Committee)
- ii) Risk Owners (typically Vice President level functionaries reporting to Functional Heads)

iii) Risk Monitors

Roles and Responsibilities

Board and Audit Committee: The Board, on the recommendation of Audit Committee, approves the risk management policy framework and process and takes various decisions related to risk management policy and process.

Chief Risk Officer (CRO): The CRO provides inputs and insights in the establishment, monitoring and structuring risk management process and further monitor its compliance in accordance with relevant provisions of the policy. CRO coordinates between the Board and Executive Management Team to establish an advance / proactive risk reporting system, based on ethical principles, so that risks are understood in a simple and transparent manner.

Executive Management Team: The CEO, Whole Time Directors and other Functional heads of respective Business Units / Functions constitute the Executive Management Team. By virtue of their roles, they are the best equipped to have knowledge and understanding of their respective business functions. Hence, they constitute the first layer of risk review and escalation by risk owners.

Risk Owners: Risk Owners have been delegated the ownership of risks. The Risk Owner is typically an officer of a sufficiently experienced level like Vice President / Sr. Vice President. The risk owner's responsibilities are guided in accordance with the relevant sections of the Risk Management Policy.

Risk Management Group: Members of the Risk Management Group, supporting the CRO, monitor effective implementation and compliance of the risk management policy. They coordinate among various managerial levels of PTC and the Group Companies to establish processes and ensure smooth and timely flow of information.

Risk Monitors: Risk monitors in each Business Unit constitute a cross functional team that works closely to engage in the deployment of an active risk management process that permeates the group. A Risk Monitor a) takes up new risks for discussion b) helps evolve risk responses and c) works as an extended arm of Risk Management Group in the unit / function in managing and reporting risks."

The RMG meets every quarter or as needed. Risks are regularly monitored through reporting of key performance indicators and tools like Risk Matrix at transaction level. Outcomes/exceptions and aggregate level reports are submitted for information of the Board of Directors.

Group on Common Exposures: Constituted for consultation of senior management of PTC and group companies on exposures to common customers.

Credit risk

"Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, investment in debt securities, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

The company has Risk Governance System. To determine whether operations are within the risk appetite of the organisation at any given time, the following parameters are reported to the appropriate layer of the Risk Governance system, and in particular to the Board of Directors and Audit Committee periodically:-

For Marketing – a) Short Term: List of all open positions and periods involved in each such position; this is reported on a periodic basis to ensure timely corrective action in case of exigency.

b) Long-Term: List of all agreements where take-or-pay liability was taken by PTC and periods involved in each such position; this is reported on at least a periodic basis to ensure timely corrective action in case of exigency.

Trade receivables

The company mainly sells electricity to bulk customers comprising mainly state power utilities owned by State Governments. The company has no experience of significant impairment losses in respect of trade receivables in the past years

For purchase of power through Power Exchange(s), the company either takes payments from the clients on advance basis or ensures security mechanism in the form of Bank Guarantee/ Letter of Credits.

Investments in marketable securities

The company invests in marketable securities to churn its short term working capital funds.

The Board of directors has established an investment policy by taking into account liquidity risk as well as credit risk. The investment policy prescribes guidelines for investible funds on fulfillment of certain conditions i.e investment in AMC who invest as per SEBI Guidelines, limit of investment in single AMC, performance rating etc. The Company's treasury department operates in line with such policy. The treasury department actively monitors the return rate and maturity period of the investments. The Company has not experienced any significant impairment losses in respect of any of the investments.

Loans & advances

The Company has given open access advances and security deposits. The open access advances are paid on account of state owned power utilities, hence the risk is insignificant. Security deposits are made mostly on back to back basis.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 281.48 crore (31 March 2017: ₹ 167.54 crore). The cash and cash equivalents are held with banks with high credit ratings.

Deposits with banks and financial institutions

The Company held deposits with banks and financial institutions of ₹ 9 crore (31 March 2017: ` NIL crore). In order to manage the risk, the Company makes these deposit with high credit rating as per investment policy of the company.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

| Particulars | (₹ in crore) | |
|---|------------------|------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL) | | |
| Non-current investments | 207.21 | 287.18 |
| Non-current loans | 0.70 | 0.77 |
| Current investments | 129.72 | 572.19 |
| Cash and cash equivalents | 281.48 | 167.54 |
| Other bank balances | 10.32 | 1.12 |
| Current loans | 0.25 | 0.23 |
| Other current financial assets | 22.84 | 11.43 |
| | 652.52 | 1,040.46 |
| Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL) | | |
| Trade receivables | 3,270.00 | 3,271.00 |
| Finance lease receivables | 688.47 | 719.85 |
| Total | 3,958.47 | 3,990.85 |

(ii) **Provision for expected credit losses**

- (a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, loss allowance for impairment has been recognised as disclosed later in this note under “Reconciliation of impairment loss provisions”.

- (b) Financial assets for which loss allowance is measured using life time expected credit losses

The company has customers (State government utilities) with sufficient capacity to meet the obligations and therefore the risk of default is negligible or low. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. However, the management has made provision for expected impairment loss for the parties identified on case to case basis.

(iii) **Ageing analysis of trade receivables**

The ageing analysis of the trade receivables is as below:

(₹ in crore)

| Ageing | 0-30 days past due | 31-90 days past due | 91-180 days past due | 180 days-365 days past due | More than 1 year less than 3 years | More than 3 years past due | Total |
|------------------------------------|--------------------|---------------------|----------------------|----------------------------|------------------------------------|----------------------------|----------|
| Gross carrying amount as 31.3.2018 | 1,657.24 | 534.21 | 320.10 | 336.39 | 149.42 | 284.50 | 3,281.86 |
| Gross carrying amount as 31.3.2017 | 1,318.25 | 566.70 | 460.41 | 205.37 | 503.85 | 223.72 | 3,278.30 |

(iv) **Reconciliation of impairment loss provisions**

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

(₹ in crore)

| Particulars | Investments | Trade receivables | Advances | Total |
|------------------------------|-------------|-------------------|----------|-------|
| Balance as at 1 April 2016 | 37.55 | 4.10 | 0.94 | 42.59 |
| Impairment loss recognised | - | 3.20 | - | 3.20 |
| Balance as at 31 March 2017 | 37.55 | 7.30 | 0.94 | 45.79 |
| Impairment loss recognised | - | 4.56 | - | 4.56 |
| Balance as at 31 March, 2018 | 37.55 | 11.86 | 0.94 | 50.35 |

The Company believes that, apart from the above, no impairment allowance is necessary in respect of any other assets.

Note No.43 . Financial Risk Management

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by

delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company’s treasury department is responsible for managing the short term and long term liquidity requirements of the Company. Short term liquidity situation is reviewed daily by Treasury. The Board of directors has established an investment policy by taking into account liquidity risk as well as credit risk. The Company’s treasury department operates in line with such policy. Long term liquidity position is reviewed by the Board of Directors and appropriate decisions are taken according to the situation.

Commercial department monitor the company’s net liquidity position by monitoring the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses and payments to trade payables including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(i) **Financing arrangements**

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Floating-rate borrowings | | |
| Cash credit | 150.00 | 50.00 |
| Short term loans | 100.00 | 100.00 |
| Short term loans interchangeable with non-fund based limits | 350.00 | 400.00 |
| Total | 600.00 | 550.00 |

(ii) **Maturities of financial liabilities**

The following are the contractual maturities of financial liabilities, based on contractual cash flows:

31 March 2018

(₹ in crore)

| Contractual maturities of financial liabilities | Contractual cash flows | | | | | Total |
|---|------------------------|-------------|-----------|-----------|-------------------|----------|
| | 3 months or less | 3-12 months | 1-2 years | 2-5 years | More than 5 years | |
| Financial liabilities | | | | | | |
| Finance lease obligations | 9.56 | 30.74 | 40.25 | 120.38 | 488.25 | 689.18 |
| Trade and other payables | 2,242.90 | - | - | - | - | 2,242.90 |

31 March 2017

(₹ in crore)

| Contractual maturities of financial liabilities | Contractual cash flows | | | | | Total |
|---|------------------------|-------------|-----------|-----------|-------------------|----------|
| | 3 months or less | 3-12 months | 1-2 years | 2-5 years | More than 5 years | |
| Financial liabilities | | | | | | |
| Finance lease obligations | 8.91 | 28.85 | 37.92 | 114.65 | 530.23 | 720.56 |
| Trade and other payables | 2,742.97 | - | - | - | - | 2,742.97 |

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of directors is responsible for setting up of policies and procedures to manage market risks of the Company. At present, the company has a Forex Risk Management Policy for hedging of foreign currency risk.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial assets as at the reporting date are as below:

| Particulars | 31 March 2018 | 31 March 2017 |
|--|---------------|---------------|
| Trade and other receivables (₹ in crore) | 218.65 | 160.80 |

Sensitivity analysis

A strengthening of the Indian Rupee, as indicated below, against the USD at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the company considered to be reasonably possible at the end of the reporting period. The analysis is performed on the same basis for previous year as indicated below.

| Effect in ₹ in crore | Profit or loss | | Equity (net of tax) | |
|----------------------|----------------|-----------|---------------------|-----------|
| | Strengthening | Weakening | Strengthening | Weakening |
| 5% movement in USD | | | | |
| 31-Mar-18 | 2.73 | (2.73) | 1.79 | (1.79) |
| 31-Mar-17 | 2.01 | (2.01) | 1.31 | (1.31) |

Interest rate risk

The Company is exposed to interest rate risk arising mainly on financial lease obligations and financial lease receivables. The Company is exposed to interest rate risk because the cash flows will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-------------------------------|------------------|------------------|
| Financial Assets: | | |
| Finance lease receivables | 688.47 | 719.85 |
| Total | 688.47 | 719.85 |
| Financial Liabilities: | | |
| Finance lease obligations | 689.18 | 720.56 |
| Total | 689.18 | 720.56 |

Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The company's risk is minimal since financial lease transactions are almost on back to back basis.

Note No 44. Fair Value Measurements

(a) Financial instruments by category

(₹ in crore)

| Particulars | As at 31 March 2018 | | | As at 31 March 2017 | | |
|------------------------------|---------------------|---------------|-----------------|---------------------|---------------|-----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Financial assets | | | | | | |
| Investments | | | | | | |
| - Equity instruments | - | 207.21 | - | - | 287.18 | - |
| - Mutual funds | 129.72 | - | - | 572.19 | - | - |
| Trade Receivables | - | - | 3,270.00 | - | - | 3,271.00 |
| Cash and cash equivalents | - | - | 281.48 | - | - | 167.54 |
| Other bank balances | - | - | 10.32 | - | - | 1.12 |
| Loans | - | - | 0.95 | - | - | 1.00 |
| Finance lease receivables | - | - | 688.47 | - | - | 719.85 |
| Other financial assets | - | - | 22.84 | - | - | 11.43 |
| Total | 129.72 | 207.21 | 4,274.06 | 572.19 | 287.18 | 4,171.94 |
| Financial liabilities | | | | | | |
| Finance lease obligations | - | - | 689.18 | - | - | 720.56 |
| Trade payables | - | - | 2,230.93 | - | - | 2,732.10 |
| Other financial liabilities | - | - | 11.97 | - | - | 10.87 |
| Total | - | - | 2,932.08 | - | - | 3,463.53 |

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in crore)

| Financial assets and liabilities measured at fair value- recurring fair value measurement As at 31 March 2018 | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------------|---------------|---------------|
| Financial assets: | | | | |
| Investments in unquoted equity instruments | - | - | 207.21 | 207.21 |
| Investments in mutual funds | - | 129.72 | - | 129.72 |
| Total | - | 129.72 | 207.21 | 336.93 |

(₹ in crore)

| Financial assets and liabilities measured at fair value- recurring fair value measurement As at 31 March 2017 | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------------|---------------|---------------|
| Financial assets: | | | | |
| Investments in unquoted equity instruments | - | - | 287.18 | 287.18 |
| Investments in mutual funds | - | 572.19 | - | 572.19 |
| Total | - | 572.19 | 287.18 | 859.37 |

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes investments in quoted equity instruments. Quoted equity instruments are valued using quoted prices at stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This level includes mutual funds which are valued using the closing NAV.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity instruments included in level 3.

There have been no transfers in either direction for the years ended 31 March 2018 and 31 March 2017.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices

- the fair value of the remaining financial instruments is determined using discounted cash flow/net adjusted asset value/ book value analysis/ NAV.

C) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation.

The fair values for lease obligation were calculated based on cash flows discounted using a current discount rate. The carrying amount of finance lease obligations approximate its fair value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note No. 45 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, raise debts or issue new shares.

Note No. 46 Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and advances in the nature of loans:

- To Subsidiary Companies & Associates : NIL
- To Firms/companies in which directors are interested : NIL

B. Investment by the loanee (as detailed above) in

the shares of PTC : NIL

Note No. 47 Corporate social responsibilities expenses (CSR)

As per Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years. The company incurs CSR expenses in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| A. Amount required to be spent during the year | 6.65 | 6.61 |
| B. Amount spent during the year on- | | |
| - (i) Construction/ acquisition of any asset | - | - |
| - (ii) On purposes other than (i) above | 5.00 | 1.34 |
| Total | 5.00 | 1.34 |
| Balance amount | 1.65 | 5.27 |

Amount spent during the year ended 31 March 2018:

(₹ in crore)

| Particulars | In cash | Yet to be paid in cash | Total |
|---|---------|------------------------|-------|
| - (i) Construction/acquisition of any asset | - | - | - |
| - (ii) On purposes other than (i) above | 5.00 | - | 5.00 |

Amount spent during the year ended 31 March 2017:

(₹ in crore)

| Particulars | In cash | Yet to be paid in cash | Total |
|---|---------|------------------------|-------|
| - (i) Construction/acquisition of any asset | - | - | - |
| - (ii) On purposes other than (i) above | 0.78 | 0.56 | 1.34 |

Break-up of the CSR expenses under major heads is as under:

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| 1. Contribution to controlled trust for the purpose of CSR | 4.99 | 0.34 |
| 2. Sanitation | - | 0.63 |
| 3. Education and skill development & gender equality | - | 0.31 |
| 4. Other CSR activities (Execution of projects) | 0.01 | 0.06 |
| Total | 5.00 | 1.34 |

Note No. 48 Other information

a) The company is engaged in the business of power which in context of Ind AS 108- "Operating Segments", is considered as the operating segment of the company.

b) Expenditure in foreign currency (on accrual basis)

(₹ in crore)

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|--------------|-----------------------|-----------------------|
| Travelling | 0.16 | 0.15 |
| Consultancy | 1.61 | 1.51 |
| Total | 1.77 | 1.66 |

c) Income earned in foreign exchange

(₹ in crore)

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|--------------|-----------------------|-----------------------|
| Sale | 1,074.36 | 1,084.91 |
| Consultancy | 0.22 | 0.70 |
| Total | 1,074.58 | 1,085.61 |

d) Some of the balances of trade payables, trade receivables and advances are subject to confirmation/ reconciliation. Adjustment, if any will be accounted for on confirmation/ reconciliation of the same, which in the opinion of the management will not have a material impact.

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

| | | |
|--------------------------------|-------------|------------|
| Number of shareholders | 1,946 | 2,431 |
| Number of shares held | 105,308,015 | 95,263,088 |
| Dividend remitted (₹ in crore) | 31.59 | 23.82 |
| Year to which it relates | 2016-17 | 2015-16 |

f) (i) In accordance with the accounting policy, the surcharge recoverable on late/ non-payment of dues by customers is recognized when no significant uncertainty as to measurability or collectability exists. 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 customers.

(ii) During the year, the company has recognized surcharge of ₹ 118.59 crore (previous year, ₹ 111.84 crore) from customers on amounts overdue on sale of power which has been included in "Revenue from operations". Correspondingly surcharge expense of ₹ 4.46 crore (previous year, ₹ 16.67 crore) paid/payable to sundry creditors has been included in "Operating expenses".

g) 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-08 |
| Date of shareholders' approval | 6-Aug-08 |
| 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 1 st year | 15% |
| On completion of 2 nd year | 15% |
| On completion of 3 rd year | 30% |
| On completion of 4 th year | 40% |

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

| Particulars | As at 31.03.2018 | | As at 31.03.2017 | |
|--|------------------------|-------------------------------------|------------------------|-------------------------------------|
| | Number of shares (Nos) | Weighted average exercise price (₹) | Number of shares (Nos) | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 21,000 | 25.73 | 21,000 | 25.73 |
| Outstanding at the end of the year | 21,000 | 25.73 | 21,000 | 25.73 |
| Exercisable at the end of the year | 21,000 | 25.73 | 21,000 | 25.73 |
| Weighted average remaining contractual life (in years) | - | - | - | - |

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

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-------------------------------------|------------------|------------------|
| Range of exercise prices (₹) | 25.73 | 25.73 |
| Number of options outstanding | 21,000 | 21,000 |
| Weighted average exercise price (₹) | 25.73 | 25.73 |

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

a) Effect on profit & loss:- There is no impact on profit or loss in FY 2017-18 as well in FY 2016-17

b) Effect on financial position:-

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Liability for employee stock options outstanding as at the year end | 0.12 | 0.12 |

vi) Impact on reported profit and earnings per share, if the employee compensation cost would have been computed using the fair value method:- FY 2017-18, Nil (FY 2016-17, Nil)

vii) Earnings per share (₹)

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|----------------|-----------------------|-----------------------|
| Basic | | |
| - As reported | 10.78 | 9.83 |
| - As pro forma | 10.78 | 9.83 |
| Diluted | | |
| - As reported | 10.78 | 9.83 |
| - As pro forma | 10.78 | 9.83 |

(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 |
|---|-------------------------------------|-------------------------------------|
| 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 |

h) Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated.

i) The figure for the corresponding previous year have been regrouped/ reclassified, wherever necessary to make them comparable.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Place: New Delhi
Date: May 16, 2018

For and on behalf of the Board of Directors

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Sd/-
(Rajiv Maheshwari)
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PTC INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of PTC INDIA LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as

well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph (a) read together with paragraph (b) below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 including the Ind AS, of the consolidated state of affairs (financial position) of the Group and its associates as at 31st March, 2018, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements / financial information of subsidiaries, whose financial statements / financial information reflect total assets of Rs. 13,589.87 crores (Previous year Rs. 11,494.39 crores) as at 31st March, 2018, total revenues of Rs. 1,394.45 crores (Previous year Rs. 1,200.65 crores) and consolidated net increase in cash flows amounting to Rs. 12.81 crores (Previous year net increase Rs. 83.57 crores) for the year ended on 31st March, 2018, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other Auditors whose financial statements / financial information have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other Auditors.
- (b) *The consolidated Ind AS financial statements also include the Group's share of net profit / loss of Rs. Nil for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of associates, Krishna Godavari Power Utilities Limited, Varam Bio Energy Private Limited, R S India Global Energy Limited and R S India Wind Energy Private Limited whose financial statements / financial information are not available with the "Group". However for the purpose of consolidated Ind AS financial statements/ financial information, the group has fully provided for diminution in value of net investment in these associates. (Also Refer Note 5 to the consolidated Ind AS financial statements). The group does not have any further obligation over and above the cost of investments, in view of the management there is no impact thereof on these consolidated Ind AS financial statements.*

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory

Requirements below, is not modified in respect of the above matters (a) with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, *except for the possible effect of the matter described in "Other matters" paragraph (b) above, we report, to the extent applicable, that:*
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit

and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us *except for the possible effect of the matter described in "Other matters" paragraph (b) above:*

- i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and its associates. Refer Note No. 13(b) & 39 to the consolidated Ind AS financial statements.
- ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies incorporated in India.

K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 06591N

(CA Bhuvnesh Maheshwari)
Partner
Membership No: 088155

Place: New Delhi
Date: 16th May, 2018

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF PTC INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of PTC INDIA LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associates as of March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Group and its associates for the year ended on that date. *Since the auditor’s reports of associates are not available, we are unable to comment on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting under section 143(3)(i) of the Act in respect of these associates.*

Management’s Responsibility for Internal Financial Controls

The Holding Company’s management is responsible for establishing and maintaining internal financial controls based on, “the internal control over financial reporting criteria established by the holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Holding company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of

financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Holding company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Holding company’s assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries and associate company, which are companies incorporated in India, subject to the other matter paragraph given below have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act include the information of the Holding Company and its subsidiaries companies in respect of the adequacy and operating effectiveness of the internal financial controls over financial reporting. It did not contain such information in respect of the associate companies for which no corresponding reports of the auditor have been obtained.

K.G. Somani & Co.
Chartered Accountants
Firm Registration No: 06591N

(CA Bhuvnesh Maheshwari)
Partner
Membership No: 088155

Place: New Delhi
Date: 16th May, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹ in crore)

| Particulars | Note No. | As at 31.03.2018 | As at 31.03.2017 |
|--|----------|------------------|------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2 | 2,060.16 | 2,153.45 |
| Capital work-in-progress | 3 | 0.06 | 0.06 |
| Intangible assets | 4 | 1.01 | 1.60 |
| Investments in associates | 5 | - | - |
| Financial assets | | | |
| Investments | 6 | 270.23 | 401.46 |
| Loans | 7 | 11,660.42 | 9,702.64 |
| Other financial assets | 8 | 673.18 | 709.20 |
| Deferred tax assets (net) | 9 | 85.36 | 44.13 |
| Income tax assets (net) | 10 | 61.52 | 36.34 |
| Other non-current assets | 11 | 45.02 | 24.57 |
| Total non-current assets | | 14,856.96 | 13,073.45 |
| Current assets | | | |
| Financial assets | | | |
| Investments | 12 | 129.72 | 572.19 |
| Trade receivables | 13 | 3,348.99 | 3,287.31 |
| Cash and cash equivalents | 14 | 420.98 | 294.26 |
| Bank balances other than cash and cash equivalents | 15 | 19.96 | 7.00 |
| Loans | 16 | 0.67 | 200.26 |
| Other financial assets | 17 | 892.58 | 550.08 |
| Other current assets | 18 | 133.94 | 113.93 |
| Total current assets | | 4,946.84 | 5,025.03 |
| TOTAL ASSETS | | 19,803.80 | 18,098.48 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 19 | 296.01 | 296.01 |
| Other equity | 20 | 3,656.42 | 3,559.10 |
| Total equity attributable to owners of the parent | | 3,952.43 | 3,855.11 |
| Non-controlling interests | | 804.26 | 834.46 |
| Total equity | | 4,756.69 | 4,689.57 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 21 | 7,692.75 | 6,539.38 |
| Other financial liabilities | 22 | 28.98 | 34.48 |
| Provisions | 23 | 199.80 | 103.51 |
| Total non-current liabilities | | 7,921.53 | 6,677.37 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 24 | 3,655.27 | 2,848.95 |
| Trade payables | 25 | 2,237.96 | 2,737.30 |
| Other financial liabilities | 26 | 1,169.88 | 1,066.34 |
| Other current liabilities | 27 | 59.28 | 71.92 |
| Provisions | 28 | 0.57 | 0.66 |
| Current tax liabilities (net) | 29 | 2.62 | 6.37 |
| Total current liabilities | | 7,125.58 | 6,731.54 |
| TOTAL EQUITY AND LIABILITIES | | 19,803.80 | 18,098.48 |

Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Place: New Delhi
Date: May 16, 2018

For and on behalf of the Board of Directors

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Sd/-
(Rajiv Maheshwari)
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

| (₹ in crore) | | | |
|--|----------|----------------------------------|----------------------------------|
| Particulars | Note No. | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Revenue | | | |
| Revenue from operations | 30 | 19,640.73 | 15,310.55 |
| Other income | 31 | 145.87 | 202.92 |
| Total revenue | | 19,786.60 | 15,513.47 |
| Expenses | | | |
| Purchases | 32 | 17,563.38 | 13,479.27 |
| Operating expenses | 33 | 194.96 | 210.60 |
| Employee benefits expense | 34 | 48.21 | 43.99 |
| Finance costs | 35 | 944.37 | 799.73 |
| Provision for expected credit loss | 36 | 241.58 | 113.73 |
| Depreciation and amortization expense | 2 & 4 | 97.44 | 21.24 |
| Other expenses | 37 | 73.01 | 73.04 |
| Total expenses | | 19,162.95 | 14,741.60 |
| Profit before share of net profits of investments accounted for using equity method and tax | | | |
| Add: Share of net profits of associates accounted for using equity method | | | |
| Profit before exceptional items and tax | | 623.65 | 771.87 |
| Exceptional items | 38 | 0.02 | (0.02) |
| Profit before tax | | 623.67 | 771.85 |
| Tax expense | | | |
| -Current Tax (MAT) | | 3.52 | - |
| -Current tax | | 257.74 | 288.31 |
| -Deferred tax (net) | | (41.56) | (22.27) |
| Total tax expense | | 219.70 | 266.04 |
| Profit for the year | | 403.97 | 505.81 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss (net of tax) | | | |
| Remeasurements of post-employment benefit obligations | | (0.61) | (0.68) |
| Deferred tax on post-employment benefit obligations | | 0.21 | 0.24 |
| Equity instruments through other comprehensive income | | (200.50) | (27.43) |
| Current tax relating of FVTOCI to equity investment | | - | (29.67) |
| Deferred tax charge/ (benefit) relating to FVTOCI to equity investment | | - | 22.25 |
| Items that will be reclassified to profit or loss | | | |
| Change in cash flow hedge reserve | | 1.55 | (6.47) |
| Income tax relating to cash flow hedge reserve | | (0.54) | 2.24 |
| Other comprehensive income / (loss) for the year (net of tax) | | (199.89) | (39.52) |
| Total comprehensive income / (loss) for the year | | 204.08 | 466.29 |
| Profit is attributable to: | | | |
| Owners of the parent | | 355.35 | 414.72 |
| Non-controlling interests | | 48.62 | 91.09 |
| Other comprehensive income is attributable to: | | | |
| Owners of the parent | | (157.99) | (41.56) |
| Non-controlling interests | | (41.90) | 2.04 |
| Total comprehensive income is attributable to: | | | |
| Owners of the parent | | 197.36 | 373.16 |
| Non-controlling interests | | 6.72 | 93.13 |
| Earnings per equity share (face value of equity share of ₹ 10 each) | 40 | | |
| (1) Basic (₹) | | 12.00 | 14.01 |
| (2) Diluted (₹) | | 12.00 | 14.01 |

Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

For and on behalf of the Board of Directors

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Place: New Delhi
Date: May 16, 2018

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Rajiv Maheshwari)
Company Secretary

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

(₹ in crore)

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|--|---------------------|--------|---------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the reporting period | 296,008,321 | 296.01 | 296,008,321 | 296.01 |
| Changes in equity share capital during the year | - | - | - | - |
| Balance at the end of the reporting period | 296,008,321 | 296.01 | 296,008,321 | 296.01 |

(B) Other equity

(₹ in crore)

| Particulars | Attributable to the equity holders of the parent | | | | | | | | | | | | Total equity attributable to owners of the parent | Non-controlling interests | Total |
|---|--|----------------------------------|-----------------|-------------------|----------------------------------|--|---|--|---------------------|-------------------------------------|-------------------------|--|---|---------------------------|----------|
| | Reserves & Surplus | | | | | | | | | Items of Other comprehensive income | | | | | |
| | Securities premium account | Share option outstanding account | General reserve | Retained earnings | Capital reserve on consolidation | Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961) | Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961) | Foreign currency monetary items translation difference account | Contingency reserve | FVOCI Equity investment reserve | Cash Flow Hedge Reserve | Re-measurements of the net defined benefit plans | | | |
| Balance as at 31 March 2016 | 1,711.07 | 0.12 | 435.76 | 864.22 | 7.95 | 130.67 | 97.48 | (30.69) | 1.05 | 37.78 | - | 0.04 | 3,255.45 | 747.47 | 4,002.91 |
| Profit for the year | - | - | - | 414.72 | - | - | - | - | - | - | - | - | 414.72 | 91.09 | 505.81 |
| Other comprehensive income for the year | - | - | - | - | - | - | - | - | - | (38.46) | (2.75) | (0.35) | (41.56) | 2.04 | (39.52) |
| Total comprehensive income for the year | - | - | - | 414.72 | - | - | - | - | - | (38.46) | (2.75) | (0.35) | 373.16 | 93.13 | 466.29 |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | | | | | |
| Transferred from reserve for equity instrument through OCI | - | - | - | 65.86 | - | - | - | - | - | (65.86) | - | - | - | - | - |
| Add: Remeasurement of post-employment benefit obligation, net of tax | - | - | - | (0.04) | - | - | - | - | - | - | - | - | (0.04) | - | (0.04) |
| Cash dividends | - | - | - | (74.00) | - | - | - | - | - | - | - | - | (74.00) | (26.98) | (100.98) |
| Dividend distribution tax (DDT) on cash dividend | - | - | - | (15.75) | - | - | - | - | - | - | - | - | (15.75) | (5.49) | (21.24) |
| Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 | - | - | - | (44.89) | - | 44.89 | - | - | - | - | - | - | - | - | - |
| Less: Transferred to special reserve u/s 36(1)(vii) of the Income tax Act, 1961 | - | - | - | (46.08) | - | - | 46.08 | - | - | - | - | - | - | - | - |
| Acquisition of a Non-controlling Interest (NCI) | (60.85) | - | - | 32.61 | - | 10.87 | 8.11 | (2.55) | - | 3.11 | - | - | (8.70) | 8.70 | (0.00) |
| Adjustments on consolidation | (0.75) | - | - | (0.79) | (7.95) | - | - | - | - | 24.53 | - | - | 15.04 | 10.12 | 25.16 |
| Add/(less): Effect of foreign exchange rate variations during the year (net) | - | - | - | - | - | - | - | 4.25 | - | - | - | - | 4.25 | 2.29 | 6.54 |
| Add/less: Amortisation for the year | - | - | - | - | - | - | - | 9.69 | - | - | - | - | 9.69 | 5.22 | 14.91 |
| Transfer to general reserve | - | - | 81.01 | (81.01) | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2017 | 1,649.47 | 0.12 | 516.77 | 1,114.85 | - | 186.43 | 151.67 | (19.30) | 1.05 | (38.90) | (2.75) | (0.31) | 3,559.10 | 834.46 | 4,393.56 |
| Profit for the year | - | - | - | 355.35 | - | - | - | - | - | - | - | - | 355.35 | 48.62 | 403.97 |
| Other comprehensive income for the year | - | - | - | - | - | - | - | - | - | (158.30) | 0.66 | (0.34) | (157.99) | (41.90) | (199.89) |
| Total comprehensive income for the year | - | - | - | 355.35 | - | - | - | - | - | (158.30) | 0.66 | (0.34) | 197.36 | 6.72 | 204.08 |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | | | | | |
| Add: Remeasurement of post-employment benefit obligation, net of tax | - | - | - | (0.10) | - | - | - | - | - | - | - | 0.10 | - | - | - |
| Cash dividends | - | - | - | (88.80) | - | - | - | - | - | - | - | - | (88.80) | (33.73) | (122.53) |
| Dividend distribution tax (DDT) on cash dividend | - | - | - | (18.08) | - | - | - | - | - | - | - | - | (18.08) | (6.87) | (24.95) |
| Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 | - | - | - | (3.21) | - | 3.21 | - | - | - | - | - | - | - | - | - |
| Less: Transferred to special reserve u/s 36(1)(vii) of the Income tax Act, 1961 | - | - | - | (41.35) | - | - | 41.35 | - | - | - | - | - | - | - | - |
| Add/(less): Effect of foreign exchange rate variations during the year (net) | - | - | - | - | - | - | - | 1.24 | - | - | - | - | 1.24 | 0.67 | 1.91 |
| Add/less: Amortisation for the year | - | - | - | - | - | - | - | 5.59 | - | - | - | - | 5.59 | 3.01 | 8.60 |
| Transfer to general reserve | - | - | 71.70 | (71.70) | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2018 | 1,649.47 | 0.12 | 588.47 | 1,246.96 | - | 189.64 | 193.02 | (12.47) | 1.05 | (197.20) | (2.09) | (0.55) | 3,656.42 | 804.26 | 4,460.68 |

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

For and on behalf of the Board of Directors

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Place: New Delhi
Date: May 16, 2018

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Rajiv Maheshwari)
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|----------------------------------|----------------------------------|
| Cash flows from operative activities | | |
| Net profit before tax | 623.67 | 771.85 |
| Adjustments for: | | |
| Depreciation and amortization expense | 97.44 | 21.24 |
| Bad debts/ advances written off | 1.17 | 15.99 |
| Liabilities no longer required written back | - | (29.48) |
| (Profit)/Loss on sale of fixed assets | (0.02) | 0.02 |
| Unrealized foreign exchange fluctuation loss / (gain) - (net) | 11.00 | (1.74) |
| Impairment allowance for doubtful debts / advances | 4.56 | 3.20 |
| Provision for expected credit loss | 238.64 | 113.73 |
| Finance costs | 944.37 | 799.73 |
| Dividend income | (18.95) | (24.27) |
| Interest income | (119.89) | (135.98) |
| Rental income | (0.02) | - |
| Profit on sale of investment (net) | (3.89) | (10.33) |
| | 1,778.08 | 1,523.96 |
| Add: Proceeds from Profit on sale of non-current unquoted trade investments in equity shares | - | 249.12 |
| Operating profit before working capital changes | 1,778.08 | 1,773.09 |
| Adjustments for: | | |
| Loan financing | (2,290.16) | (2,097.01) |
| (Increase)/ Decrease in trade receivables | (66.90) | 399.64 |
| Non-current investments | - | (21.33) |
| (Increase)/ Decrease in other assets | (29.35) | (17.45) |
| Increase/ (Decrease) in liabilities | (517.70) | 350.74 |
| Increase/ (Decrease) in provisions | (0.26) | 1.76 |
| Cash generated from/(used in) operating activities | (1,126.29) | 389.44 |
| Direct taxes paid (net) | (290.19) | (278.20) |
| Net cash generated/(used) from operating activities (A) | (1,416.48) | 111.24 |
| Cash flows investing activities | | |
| Interest received | 119.66 | 136.46 |
| Dividend received | 18.95 | 24.27 |
| Rent received | 0.02 | - |
| Purchase of property, plant and equipment and intangible assets | (316.40) | (1,477.06) |
| Sale of property, plant and equipment | 0.11 | 0.11 |
| Finance lease receivables | 31.38 | 13.86 |
| Sale/(Purchase) of investments (net) | 446.36 | (86.94) |
| Decrease/ (Increase) in bank balances other than cash & cash equivalents | (13.71) | 15.36 |
| Net cash generated from/ (used in) investing activities (B) | 286.37 | (1,373.94) |
| Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 2,124.87 | 1,416.02 |
| Repayment of long-term borrowings | (552.37) | (589.32) |
| Proceeds from short-term borrowings (net) | 806.33 | 1,441.96 |
| Finance lease obligations | (31.38) | (13.86) |
| Finance costs (including premium on derivative contracts) | (943.32) | (779.88) |
| Dividend paid (including dividend tax) | (147.30) | (121.54) |
| Net cash generated from/(used in) financing activities (C) | 1,256.83 | 1,353.38 |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 126.72 | 90.68 |
| Cash and cash equivalents (opening balance) | 294.26 | 203.58 |
| Cash and cash equivalents (closing balance) | 420.98 | 294.26 |

Notes:

1 Cash and cash equivalents include

| | As on 31.03.2018 | As on 31.03.2017 |
|---|---------------------|---------------------|
| Cash on hand-staff imprest | 0.02 | 0.02 |
| Cheques/drafts on hand | - | 1.19 |
| Current accounts | 178.74 | 68.92 |
| Deposits (original maturity period upto 3 months) | 242.22 | 224.13 |
| Cash and cash equivalents at the year end | 420.98 | 294.26 |

2. The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (Ind AS)-7 on Statement of cash flows.

3. Figures in bracket indicate cash outflow.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Place: New Delhi
Date: May 16, 2018

For and on behalf of the Board of Directors

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Sd/-
(Rajiv Maheshwari)
Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (FOR THE YEAR ENDED 31 MARCH 2018)

Note No. 1. Group overview and significant accounting policies

1. Group overview

PTC India Limited (the "Company") is a public company domiciled in India and limited by shares (CIN: L40105DL1999PLC099328). The company is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are publicly traded on the National Stock Exchange of India Limited and BSE Limited. The registered office of the company is located at 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi-110066, India. These consolidated financial statements comprise the Company and its subsidiaries and associates (referred to collectively as the 'Group') for the year ended March 31, 2018.

The subsidiaries and associates considered in the consolidated financial statements are as under:

| Sr. No. | Particulars | Relationship | Percentage of ownership interest | | Share of Associates Profit / (Loss) included in Consolidated Statement of Profit and Loss Account (₹ in Crore) | |
|---------|--|--------------|----------------------------------|------------------|--|------------------|
| | | | As on 31.03.2018 | As on 31.03.2017 | As on 31.03.2018 | As on 31.03.2017 |
| 1 | PTC India Financial Services Limited (PFS) | Subsidiary | 64.99% | 64.99% | NA | NA |
| 2 | PTC Energy Ltd (PEL) | Subsidiary | 100% | 100% | NA | NA |
| 3 | Krishna Godavari Power Utilities Limited* | Associate | 49% | 49% | - | - |
| 4 | RS India Wind Energy Private Limited (formally known as R.S. India Wind Energy Limited)* | Associate | 37% | 37% | - | - |
| 5 | Varam Bio Energy Private Limited* | Associate | 26% | 26% | - | - |
| 6 | RS India Global Energy Limited* | Associate | 48% | 48% | - | - |

* Financial statements for the year 2017-18 of these associates were not made available for consolidation.

The Group is principally engaged in trading/ generation of power and providing total financing solutions to the energy value chain which includes investing in equity or extending debt to power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

PTC India Limited holds Category I license from Central Electricity Regulatory Commission (CERC), the highest category with permission to trade unlimited volumes and its subsidiary

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

Its subsidiary PTC Energy Limited (PEL) is set up with an objective to develop asset base taking into its sphere the business of generation, supply, distribution, transmission and dealing in all forms of energy including import and export of coal, conversion of coal/ fuels in to electricity, fuel linkages and provide advisory services in energy sector and energy efficiency.

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on 16 May, 2018.

2.1 Basis of preparation of consolidated financial statements

(i) Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment, Rules 2016, to the extent applicable. These Consolidated Financial Statements have been prepared and presented on a going concern basis and on the accrual basis of accounting.

(ii) Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities

(including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments). The methods used to measure fair values are discussed further in notes to financial statements.

Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional currency. All financial information presented in INR has been rounded to the nearest crore (upto two decimals), except as stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

1. Basis of Consolidation

The financial statements of Subsidiary Companies and Associates are drawn up to the same reporting date as of the Company for the purpose of consolidation.

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights

to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see below), after initially being recognised at cost.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy of impairment.

When the group ceases to equity account for an investment because of a loss of significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously

recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3. Foreign Currency

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

The rate that approximates the actual rate at the date of the transaction or the monthly average rate is used for all transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of long term foreign currency monetary items (except derivative financial instruments) existing on 1 April 2015, the Group has carried forward its policy under Previous GAAP to amortize the exchange differences arising on settlement/restatement on settlement/over the maturity period thereof.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of

the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of such items (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

4. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting period date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current income tax and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries

and interest in associates where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and interest in associates where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

5. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Group amortizes cost of computer software over their estimated useful lives of 3 to 5 years using Straight-line method.

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognized.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Group capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

6. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lease is classified at the inception date as a finance lease or an operating lease.

Group as a lessee

Accounting for finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Accounting for operating lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

In the event that lease incentives are received to enter into operating lease, such incentives are recognized as a liability. The aggregate benefits of incentives are recognized as a reduction of rental expenses on straight-line basis.

Contingent rents are recognized as expenses in the period in which they are incurred.

Group as a lessor

Accounting for operating lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income on a straight line basis unless the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost.

Contingent rents are recognized as revenue in the period in which they are earned.

Accounting for finance lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

7. Impairment of assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its assets (including investments in subsidiaries and associates) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

8. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented net of any reimbursement in the statement of profit and loss.

9. Contingent liabilities and contingent assets

Contingent Liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognised because

- i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

A contingent liability is not recognized but disclosed as per requirements of Ind (AS) 37. The related asset is recognized when the realisation of income becomes virtually certain.

Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

10. Employee Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

The Group pays fixed contribution to Employees' Provident Fund. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's liability towards gratuity and post-retirement medical facility. The gratuity is funded by the Group and is managed by separate trust. The Group has Post-Retirement Medical Scheme (PRMS), under which eligible retired employee and the spouse are provided medical facilities and avail treatment as out-patient subject to a ceiling fixed by the Group.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs is recognised and the fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Group if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

Other long-term employee benefits

Benefits under the Group's leave encashment constitute other long term employee benefits.

The Group's obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations. The calculation

is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

Short-term benefits

Short term employee benefits are that are expected to be settled wholly before twelve months after the end of the reporting periods in which the employee rendered the related services.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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 organisations.

11. Financial Instruments

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivables and trade payable which are initially measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as under:-

- a) Debt instruments at amortized cost
- b) Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- c) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Debt Instruments at FVTOCI

- Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
 - the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments.

Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments at FVTPL or FVTOCI

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of Investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement; and either (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash-flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure-

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and Credit risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss.

Provision created as per RBI Prudential Norms is higher than the provision as per expected credit loss model and as per the requirement of the prudential norms the same has been accounted for and disclosed in the notes to the consolidated financial statements.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contract assets and lease held receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for

transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The Group determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

12. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

13. Cash dividend to equity holders

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

14. Hedge Accounting

The Group has designated a hedging instrument, which include derivative is respect of foreign currency risk as cash flow hedge. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

15. Cash Flow Hedges

The effective portion of the changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the "Other income" line item.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, the same line as recognised in the hedged item.

16. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. The grant is recognised as "other operating income" under the head revenue from operations in statement of profit and loss as and when the aforesaid conditions are complied.

The Group received government grant in form of Generation Based Incentive i.e. GBI from Indian Renewable Energy Development Authority (IREDA) at the rate of Rs. 0.5 per unit of electricity fed into the grid for a period not less than 4 years and a maximum period of 10 years with a cap of Rs. 100 Lakhs per MW. And the total disbursement in a year shall not exceed ₹ 25 Lakhs per year per MW for the first 4 years.

17. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of inventories is measured on First in and First out (FIFO) basis.

Costs of purchased inventory are determined after deducting rebates and discounts.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

18. Property, plant and equipment

Property, plant and equipment (PP&E) are carried in the balance sheet on the basis of at cost of acquisition including incidental costs related to acquisition and installation, net of accumulated depreciation and accumulated impairment losses, if any.

Cost of self constructed asset include the cost of material, direct labour and any other costs directly attributable to bringing the asset to its working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

The cost of property, plant and equipment not available for use are disclosed under capital work- in-progress.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

Subsequent cost relating to Property, plant and equipment shall be recognised as an asset if:

- a) it is probable that future economic benefits associated with the item will flow to the Group; and

- b) the cost of the item can be measured reliably.

All other repair and maintenance costs are recognized in profit or loss as incurred.

The Group depreciates property, plant and equipment over their estimated useful lives using written down method except wind mill, leasehold land and lease improvements. The useful lives are at the rates and in the manner provided in Schedule II of the Companies Act, 2013

| Category | Useful life |
|-------------------------------|-------------|
| Building | 60 years |
| Plant & Equipment (Wind-mill) | 22 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 08 years |
| Office Equipment | 03-06 years |
| Hand held devices | 03 years |

The depreciation on Wind Mills has been changed on Straight Line Method (SLM) at rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

Leasehold land and leasehold improvements are amortised over the lease period.

The Group follows component approach as envisaged in Schedule II to the Companies Act, 2013. The approach involves identification of components of the asset whose cost is significant to the total cost of the asset and have useful life different from the useful life of the remaining assets and in respect of such identified components, useful life is determined separately from the useful life of the main asset.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is shown under the head non-financial assets in the balance sheet.

The cost of assets not available for use is disclosed under Capital Work in Progress till the time they are ready for use.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortization.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the Group and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end and adjusted prospectively, if appropriate.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

Asset costing less than ₹ 5000/- is fully depreciated in the year of capitalization.

19. Earnings per equity share

In determining basic earnings per share, the Group 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.

20. Share based payments

Equity settled transactions

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 recognized as deferred stock compensation cost and amortized over the vesting period, on a straight line basis. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

21. Revenue Recognition

Group's revenues arise from sale of power, consultancy and other income. Revenue from sale of energy is recognized based on the rates & terms and conditions mutually agreed with the beneficiaries. Revenue from other income comprises interest from banks, employees, etc., dividend from investments in associates and subsidiary companies, dividend from mutual fund investments, surcharge received from customers for delayed payments, other miscellaneous income, etc.

Sale of Power

Revenue from sale of power is measured at the rates agreed with the beneficiaries and recognized when all the following conditions are satisfied:

- i) the Group has transferred to the buyer the significant risks and rewards of ownership of the energy;
- ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii) the amount of revenue can be measured reliably;
- iv) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Sale of coal

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.

Rendering of Services

Revenue from service is recognized at the fair value of the consideration received or receivable and recognized by reference to the stage of completion of the transaction when all the following conditions are satisfied:

- i) the amount of revenue can be measured reliably;
- ii) it is probable that the economic benefits associated with the transaction will flow to the Group;
- iii) the stage of completion of the transaction can be measured reliably; and
- iv) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If all the above conditions are not met, revenue from service is recognized only to the extent of the expenses recognized that are recoverable.

Fee based income

Fee based incomes are recognised when reasonable right of recovery is established and the revenue can be reliably measured.

Surcharge Income

The surcharge on late payment/non payment from customers is recognized when:

- i) the amount of surcharge can be measured reliably; and
- ii) there is no significant uncertainty that the economic benefits associated with the surcharge transaction will flow to the entity.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest and other dues are accounted on accrual basis except in the case of non-performing loans where it is recognized upon realization, as per the income recognition and asset classification norms prescribed by the RBI.

Dividends

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms unless the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost. Rental Income is included in revenue in the statement of profit and loss.

22. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

23. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses and income tax expenses.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

2.3 Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

a) Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

b) Leasehold land in respect of windmills

In respect of Wind Mill Projects involving the leasehold lands, the composite cost of the project is bifurcated between the advance lease rentals for the leasehold lands and the cost of wind mills. Further, in order to classify and account for the cost of lease of land and cost of wind mills, the composite project cost is allocated between the advance lease rentals and the wind mill on the basis of fair values of the leasehold rentals over the project life and the balance amount is taken to be the cost of wind mills.

c) Recoverable amount of property, plant and equipment

The recoverable amount of property, plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

d) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

e) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

g) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) Deferred Tax

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can

be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

i) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Contingent provision against standard assets represents a general provision at 0.50% of the outstanding standard assets and provision against restructured loans, in accordance with the RBI guidelines. In addition, the Group maintains a Provision for Contingencies based on the assessment of portfolio including provision against stressed assets.

j) Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease'. In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement needs the criteria under Appendix C to Ind AS 17.

k) Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate

the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

l) Classification of financial assets

Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

2.4 Recent accounting pronouncements

Standards issued but not yet effective

IND AS 115

On 28 March 2018, the Ministry of Corporate Affairs (MCA), in consultation with the National Advisory Committee on Accounting Standards, has issued Companies (Indian Accounting Standards) Amendment Rules, 2018 to amend the Companies (Indian Accounting Standards) Rules, 2015. This results in introduction of Ind AS 115, Revenue from Contracts with customers, that comprehensively revamps the revenue recognition guidance. Consequently, Ind AS 18 and Ind AS 11 have been withdrawn, and other standards are suitably modified. The amendment is applicable to the Group from 01 April 2018.

The Group is in the process of evaluating the requirement of the amendments and its impact on the financial statements.

APPENDIX B OF IND AS 21

This appendix is for determining the date of transaction where the entity has received / paid any foreign currency advances. This appendix states that the date of transaction shall be the date on which such advance is received or paid. Therefore these non-monetary advances will not be restated at the time of their adjustment against the particular transaction.

Note No.2 - Property, plant and equipment

As at 31 March 2018

(₹ in crore)

| Description | Gross block | | | | Accumulated depreciation | | | | Net block | |
|------------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2017 | Additions | Disposals/ adjustments | As at 31.03.2018 | As at 01.04.2017 | For the year | Disposals/ adjustments | As at 31.03.2018 | As at 31.03.2018 | As at 31.03.2017 |
| Land | | | | | | | | | | |
| -Leasehold land | 3.48 | - | - | 3.48 | 0.06 | 0.05 | - | 0.11 | 3.37 | 3.42 |
| -Leasehold improvement | 2.20 | 1.26 | - | 3.46 | 1.32 | 0.60 | - | 1.92 | 1.54 | 0.88 |
| -Freehold land* | 18.49 | - | - | 18.49 | - | - | - | - | 18.49 | 18.49 |
| Buildings | | | | | | | | | | |
| -Buildings | 7.73 | - | - | 7.73 | 0.73 | 0.38 | - | 1.11 | 6.62 | 7.00 |
| -Leasehold improvement | 0.18 | - | - | 0.18 | 0.06 | - | - | 0.06 | 0.12 | 0.12 |
| Furniture and fixtures | 1.53 | 0.29 | (0.03) | 1.79 | 0.62 | 0.25 | (0.02) | 0.85 | 0.94 | 0.91 |
| Vehicle | 1.01 | - | (0.06) | 0.95 | 0.21 | 0.25 | (0.04) | 0.42 | 0.53 | 0.80 |
| Plant and equipment | 2,142.50 | 0.09 | (0.50) | 2,142.09 | 23.02 | 93.48 | - | 116.50 | 2,025.59 | 2,119.48 |
| Office equipment's | 3.81 | 2.12 | (0.41) | 5.52 | 1.46 | 1.42 | (0.32) | 2.56 | 2.96 | 2.35 |
| Total | 2,180.93 | 3.76 | (1.00) | 2,183.69 | 27.48 | 96.43 | (0.38) | 123.53 | 2,060.16 | 2,153.45 |

As at 31 March 2017

(₹ in crore)

| Description | Gross block | | | | Accumulated depreciation | | | | Net block | |
|------------------------|------------------|-----------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2016 | Additions | Disposals/ adjustments | As at 31.03.2017 | As at 01.04.2016 | For the year | Disposals/ adjustments | As at 31.03.2017 | As at 31.03.2017 | As at 01.04.2016 |
| Land | | | | | | | | | | |
| -Leasehold land | 3.48 | - | - | 3.48 | 0.05 | 0.01 | - | 0.06 | 3.42 | 3.43 |
| -Leasehold improvement | 2.20 | - | - | 2.20 | 0.66 | 0.66 | - | 1.32 | 0.88 | 1.54 |
| -Freehold land | 5.51 | 12.11 | 0.87 | 18.49 | - | - | - | - | 18.49 | 5.51 |
| Buildings | | | | | | | | | | |
| -Buildings | 7.73 | - | - | 7.73 | 0.35 | 0.38 | - | 0.73 | 7.00 | 7.38 |
| -Leasehold improvement | 0.18 | - | - | 0.18 | 0.01 | 0.05 | - | 0.06 | 0.12 | 0.17 |
| Furniture and fixtures | 1.56 | - | (0.03) | 1.53 | 0.36 | 0.28 | (0.02) | 0.62 | 0.91 | 1.20 |
| Vehicle | 0.91 | 0.27 | (0.17) | 1.01 | 0.04 | 0.29 | (0.12) | 0.21 | 0.80 | 0.87 |
| Plant and equipment | 369.04 | 1,774.33 | (0.87) | 2,142.50 | 5.87 | 17.15 | - | 23.02 | 2,119.48 | 363.17 |
| Office equipment's | 2.85 | 1.90 | (0.94) | 3.81 | 1.24 | 1.08 | (0.86) | 1.46 | 2.35 | 1.61 |
| Total | 393.46 | 1,788.61 | (1.14) | 2,180.93 | 8.58 | 19.90 | (1.00) | 27.48 | 2,153.45 | 384.88 |

a) Refer Note No. 42 regarding property, plant and equipment under finance lease.

b) Refer Note No. 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

* Included the Freehold lands of ₹ 9.50 crore which were not registered in the name of the company as on 31st March, 2018 (31st March 2017, ₹ 11.99 crore)

c) Refer note 46 for information on property, plant and equipment pledged as security by the Company.

Note No.3 -Capital work-in-progress

Details of capital work in progress and their carrying amounts are as follows:

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---------------------------|------------------|------------------|
| Capital work -in-progress | 0.06 | 0.06 |
| Total | 0.06 | 0.06 |

Note No.4 - Intangible assets

As at 31 March 2018

(₹ in crore)

| Description | Gross block | | | | Accumulated amortization | | | | Net block | |
|-------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2017 | Additions | Disposals/ adjustments | As at 31.03.2018 | As at 01.04.2017 | For the year | Disposals/ adjustments | As at 31.03.2018 | As at 31.03.2018 | As at 31.03.2017 |
| Computer software | 4.15 | 0.42 | - | 4.57 | 2.55 | 1.01 | - | 3.56 | 1.01 | 1.60 |
| Total | 4.15 | 0.42 | - | 4.57 | 2.55 | 1.01 | - | 3.56 | 1.01 | 1.60 |

As at 31 March 2017

(₹ in crore)

| Description | Gross block | | | | Accumulated amortization | | | | Net block | |
|-------------------|------------------|-------------|------------------------|------------------|--------------------------|--------------|------------------------|------------------|------------------|------------------|
| | As at 01.04.2016 | Additions | Disposals/ adjustments | As at 31.03.2017 | As at 01.04.2016 | For the year | Disposals/ adjustments | As at 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| Computer software | 3.11 | 1.04 | - | 4.15 | 1.21 | 1.34 | - | 2.55 | 1.60 | 1.90 |
| Total | 3.11 | 1.04 | - | 4.15 | 1.21 | 1.34 | - | 2.55 | 1.60 | 1.90 |

Note No.5 - Non-current investments in associates

(₹ in crore)

| Particulars | Face value ₹ | Quantity as at 31.03.2018 | Quantity as at 31.03.2017 | Amount as at 31.03.2018 | Amount as at 31.03.2017 |
|---|--------------|---------------------------|---------------------------|-------------------------|-------------------------|
| Carried at cost less impairment allowance | | | | | |
| i) Investment in equity instruments-fully paid up-unquoted | | | | | |
| Associate company | | | | | |
| - Krishna Godavari Power Utilities Limited (refer note below) | 10 | 37,548,700 | 37,548,700 | 37.55 | 37.55 |
| Less: Impairment allowance for long term investment | | | | (37.55) | (37.55) |
| - R.S. India Wind Energy Private Limited | 10 | 61,121,415 | 61,121,415 | 47.37 | 47.37 |
| Less: Impairment allowance for long term investment | | | | (47.37) | (47.37) |
| - RS India Global Energy Limited | 10 | 23,402,542 | 23,402,542 | 22.89 | 22.89 |
| Less: Impairment allowance for long term investment | | | | (22.89) | (22.89) |
| - Varam Bio Energy Private Limited | 10 | 4,390,000 | 4,390,000 | 4.39 | 4.39 |
| Less: Impairment allowance for long term investment | | | | (4.39) | (4.39) |
| ii) Investment in fully paid up optionally convertible debentures (OCD)-unquoted | | | | | |
| - Varam Bio Energy Private Limited | 50,000 | 90 | 90 | 4.29 | 4.29 |
| Less: Impairment allowance for long term investment | | | | (4.29) | (4.29) |
| Total | | | | - | - |
| Aggregate amount of unquoted investments | | | | 116.49 | 116.49 |
| Aggregate amount of impairment in the value of investments | | | | (116.49) | (116.49) |

The Group 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.6 -Financial assets- Non-current investments

(₹ in crore)

| Particulars | Face value ₹ | Quantity as at 31.03.2018 | Quantity as at 31.03.2017 | Amount as at 01.04.2018 | Amount as at 31.03.2017 |
|--|--------------|---------------------------|---------------------------|-------------------------|-------------------------|
| i) Investment in equity instruments- fully paid up-unquoted | | | | | |
| Designated at fair value through other comprehensive income | | | | | |
| - Teesta Urja Limited | 10 | 180,052,223 | 180,052,223 | 184.55 | 165.65 |
| - Chenab Valley Power Projects Private Limited | 10 | 4,080,000 | 4,080,000 | 4.08 | 4.08 |
| - Athena Energy Ventures Private Limited | 10 | 158,811,849 | 150,000,000 | 18.58 | 117.45 |
| - East Coast Energy Private Limited | 10 | 133,385,343 | 133,385,343 | 32.42 | 113.11 |
| - Athena Chattisgarh Power Limited | 10 | 39,831,212 | - | - | - |
| - Adhunik Power and Natural Resources Limited | 10 | 9,740,000 | 9,740,000 | 1.17 | 1.17 |
| ii) Investment carried at amortised cost-unquoted | | | | | |
| Investment in security receipts | | | | | |
| - Edelweiss Assesst Reconstruction Co Ltd | 1000 | 294,270 | - | 29.43 | - |
| Total | | | | 270.23 | 401.46 |
| Net investment | | | | 270.23 | 401.46 |
| Aggregate amount of unquoted investments | | | | 270.23 | 401.46 |

Restrictions for disposal of investments held by the Group towards above companies are disclosed in Note 39.

Category wise investments as per Ind AS 109 Classification

(₹ in crore)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|----------------------|----------------------|
| Financial assets carried at fair value through other comprehensive income | 240.80 | 401.46 |
| Financial assets carried at amortised cost | 29.43 | - |

Note No.7 - Non-current loans

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Secured, considered good (carried at amortised cost) | | |
| Loan financing | 12,802.26 | 10,392.02 |
| Less: Allowance for credit losses | (320.23) | (193.75) |
| Less: Current maturities transferred to 'other current financial assets' (Refer Note No. 17) | (822.98) | (497.58) |
| Total Secured | 11,659.05 | 9,700.69 |
| Unsecured, considered good (carried at amortised cost) | | |
| Security deposits | 0.50 | 1.00 |
| Loan to employees (including accrued interest) | 0.87 | 0.95 |
| Total unsecured | 1.37 | 1.95 |
| Total loans | 11,660.42 | 9,702.64 |

Loans given to employees are measured at amortised cost.

The net carrying amount of loans is considered a reasonable approximation of their fair value.

The movement in the allowance for credit losses is presented below:

(₹ in crore)

| Particulars | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Opening balance | 193.75 | 115.81 |
| Add: Charge for the period (net of amounts written back) | 132.48 | 77.94 |
| Add: Transfer from contingent provision against standard assets | (6.00) | - |
| Closing balance | 320.23 | 193.75 |

Notes:

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.8 - Non-current assets - Other financial assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Unsecured, considered good | | |
| Derivatives assets carried at fair value through profit and loss | 25.01 | 27.11 |
| Financial lease receivables (Refer Note No. 42(b) and note below) | 648.17 | 682.09 |
| Total | 673.18 | 709.20 |

Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Group has ascertained that the PSA entered with one of its customers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivables. Recovery of amounts against depreciation, interest on loan capital and return on equity (pre-tax) components from the customer is adjusted against Finance Lease Receivables and interest. The interest component of the Finance Lease Receivables and amount received on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest income on assets under finance lease' under Note 31-'Other Income'.

Note No.9 - Deferred tax assets/ liabilities (net)

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| (a) Deferred tax liability on account of timing differences in:- | | |
| Difference in book depreciation and tax depreciation | 19.22 | 5.78 |
| Foreign currency monetary items translation difference account | 6.65 | 10.40 |
| Special reserve under section 36(1)(viii) of Income-tax Act, 1961 | 102.79 | 80.77 |
| Financial liabilities measured at amortised cost | 2.04 | 2.90 |
| Change in fair value of investment measured through profit or loss | 0.06 | - |
| Finance lease receivables | 240.56 | 249.11 |
| Sub-total (a) | 371.32 | 348.96 |
| (b) Deferred tax asset arising on account of timing differences in:- | | |
| Employee benefits | 2.86 | 2.74 |
| Provisions and contingencies | 177.25 | 100.31 |
| Accrued interest deductible on payment | 0.47 | 0.57 |
| Loss/ diminution in associates | 0.99 | 9.95 |
| Financial assets measured at amortised cost | 22.29 | 19.30 |
| Cash flow hedge reserve | 1.70 | 2.24 |
| Expenses not allowable for income tax in the current year | 6.08 | 6.02 |
| Finance lease obligations | 240.56 | 249.11 |
| Impairment loss on trade receivables/ advances | 4.48 | 2.86 |
| Sub-total (b) | 456.68 | 393.09 |
| Net deferred tax (liabilities)/ assets (b-a) | 85.36 | 44.13 |

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

Movement in deferred tax balances
31 March 2018

| (₹ in crore) | | | | |
|--|---------------------------------|------------------------------------|-------------------------|------------------------------------|
| Particulars | Net balance 31 March 2017 | Recognised in profit or loss | Recognised in OCI | Net balance 31 March 2018 |
| Difference in book depreciation and tax depreciation | (5.78) | (13.44) | - | (19.22) |
| Foreign currency monetary items translation difference account | (10.40) | 3.75 | - | (6.65) |
| Special reserve under section 36(1) (viii) of Income-tax Act, 1961 | (80.77) | (22.02) | - | (102.79) |
| Financial liabilities measured at amortised cost | (2.90) | 0.86 | - | (2.04) |
| Employee benefits | 2.74 | (0.09) | 0.21 | 2.86 |
| Expenses not allowable for income tax in the current year | 6.02 | 0.06 | - | 6.08 |
| Provisions and contingencies | 100.31 | 76.94 | - | 177.25 |
| Accrued interest deductible on payment | 0.57 | (0.10) | - | 0.47 |
| Loss/ diminution in associates | 9.95 | (8.96) | - | 0.99 |
| Change in fair value of investment measured through profit or loss | - | (0.06) | - | (0.06) |
| Finance lease Obligations | 249.11 | (8.55) | - | 240.56 |
| Finance lease receivables | (249.11) | 8.55 | - | (240.56) |
| Cash flow hedge reserve | 2.24 | - | (0.54) | 1.70 |
| Financial assets measured at amortised cost | 19.30 | 2.99 | - | 22.29 |
| Impairment loss on trade receivables/ advances | 2.86 | 1.62 | - | 4.48 |
| Tax assets/(liabilities) | 44.13 | 41.56 | (0.33) | 85.36 |

31 March 2017

| (₹ in crore) | | | | |
|--|---------------------------------|------------------------------------|----------------------|------------------------------------|
| Particulars | Net balance 31 March 2016 | Recognised in profit or loss | Recognised in OCI | Net balance 31 March 2017 |
| Difference in book depreciation and tax depreciation | (2.75) | (3.03) | - | (5.78) |
| Foreign currency monetary items translation difference account | (17.89) | 7.49 | - | (10.40) |
| Special reserve under section 36(1) (viii) of Income-tax Act, 1961 | (56.23) | (24.54) | - | (80.77) |
| Financial liabilities measured at amortised cost | (3.48) | 0.58 | - | (2.90) |
| Employee benefits | 2.38 | 0.12 | 0.24 | 2.74 |
| Expenses not allowable for income tax in the current year | 6.02 | - | - | 6.02 |
| Provisions and contingencies | 60.94 | 39.37 | - | 100.31 |
| Accrued interest deductible on payment | 0.58 | (0.01) | - | 0.57 |
| Loss/ diminution in associates | 16.60 | (6.65) | - | 9.95 |
| Change in fair value of investment | (22.93) | 0.68 | 22.25 | - |
| Finance lease Obligations | 253.92 | (4.81) | - | 249.11 |
| Finance lease receivables | (253.92) | 4.81 | - | (249.11) |
| Cash flow hedge reserve | - | - | 2.24 | 2.24 |
| Financial assets measured at amortised cost | 12.15 | 7.15 | - | 19.30 |
| Impairment loss on trade receivables/ advances | 1.75 | 1.11 | - | 2.86 |
| Tax assets/(liabilities) | (2.86) | 22.27 | 24.73 | 44.13 |

Note No.10 - Income tax assets (net)

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-----------------------------------|---------------------|---------------------|
| Unsecured, considered good | | |
| Advance income tax (net) | 61.46 | 36.28 |
| Advance fringe benefit tax (net) | 0.06 | 0.06 |
| Total | 61.52 | 36.34 |

Note No.11 - Other non-current assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Unsecured, considered good | | |
| Capital advances | 31.10 | 10.31 |
| Advances other than capital advances | | |
| Prepayments | 13.70 | 14.02 |
| Deferred payroll expenditure | 0.22 | 0.24 |
| Total | 45.02 | 24.57 |

The deferred payroll expenditure represents benefits accruing to the employees. The same will be amortised on a straight line basis over the remaining period of the loan.

Note No.12 - Current investments

(₹ in crore)

| Particulars | Quantity as at 31.03.2018 | Quantity as at 31.03.2017 | Amount as at 01.04.2018 | Amount as at 31.03.2017 |
|--|---------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Investment in mutual funds | | | | |
| Designated at fair value through profit or loss | | | | |
| Unquoted investment | | | | |
| - Aditya Birla Sun Life Mutual Fund ABSL Cash plus (G) | 3,066,673 | - | 85.66 | - |
| - IDFC Cash Fund Direct Plan (G) | 208,811 | - | 44.06 | - |
| - SBI Magnum Insta Cash Fund Direct-(G) | - | 492,017 | - | 82.41 |
| - LIC MF Liquid Fund-Direct (G) | - | 284,956 | - | 84.03 |
| - UTI Money Market Fund-Growth-DIRECT | - | 242,905 | - | 44.31 |
| - Tata Money Market Fund-Growth- DIRECT | - | 481,147 | - | 48.19 |
| - L&T Liquid Fund-Direct Plan | - | 395,847 | - | 40.09 |
| - 'DHFL Pramerica Low Duration Fund - Direct Plan - Growth | - | 27,319,415 | - | 62.06 |
| - ICICI Prudential Money Market Fund- Direct (G) | - | 1,639,472 | - | 36.89 |
| - IDFC Money Manager Fund- Direct (G) | - | 14,122,288 | - | 36.36 |
| - 'Reliance Medium Term Fund Growth | - | 29,586,269 | - | 102.63 |
| - 'Indiabulls Liquid Fund Growth-Direct | - | 221,652 | - | 35.22 |
| Total | | | 129.72 | 572.19 |
| Aggregate amount of unquoted investments and market value thereof | | | 129.72 | 572.19 |

Note No.13 - Trade receivables

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Trade receivables | | |
| Unsecured, considered good | 3,334.21 | 3,287.23 |
| Considered doubtful | 11.86 | 7.30 |
| | 3,346.07 | 3,294.53 |
| Unbilled revenue (unsecured, considered good) | 14.78 | 0.08 |
| Less: Impairment allowance for doubtful debts | 11.86 | 7.30 |
| Total trade receivables | 3,348.99 | 3,287.31 |

- a) Trade receivables are hypothecated to the banks for availing the fund based/non- fund based working capital facilities.
- b) Trade receivables include an amount of ₹ 16.23 Crore due from Tamil Nadu Electricity Board (TNEB) towards compensation claim. Sole arbitrator gave order unfavourable to the Group against which a petition has been filed by the Group at Madras high Court. As assessed by the management, the chances of a decision in favour of the Group is high as the award has been erroneously passed against the settled law and accordingly is likely to be set aside by the Hon'ble Madras High Court. Further, the Group has a recourse to claim similar amount from PSPCL in case the High Court Order is against the Group.

Note No.14 - Cash and cash equivalents

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Cash on hand-Staff Imprest | 0.02 | 0.02 |
| Cheques/drafts on hand | - | 1.19 |
| Balances with banks:- | | |
| - in current accounts | 178.74 | 68.92 |
| - Deposits with original maturity upto three months* | 242.22 | 224.13 |
| Total | 420.98 | 294.26 |

* Includes Term Deposits of ₹ 37.58 crore (31 March 2017: ₹ 70.49 crore) which are held as margin money or security against the guarantees or borrowings

Note No.15 - Other bank balances

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Deposits with original maturity of more than three months * | 13.71 | - |
| Earmarked balances with banks for | | |
| Unclaimed share application money lying in escrow Account | 0.02 | 0.02 |
| Unclaimed interest on debentures | 4.56 | 5.68 |
| Unpaid dividend account balance | 1.67 | 1.30 |
| Total | 19.96 | 7.00 |

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at year end.

* Includes Term Deposits of ₹ 4.71 crore (31 March 2017: ₹ NIL) which are held as margin money/ security deposit against the guarantees/ borrowings.

Note No.16 - Current loans

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Secured, considered good (carried at amortised cost) | | |
| Loan financing | - | 200.00 |
| Total Secured | - | 200.00 |
| Unsecured, considered good | | |
| Security deposits | 0.42 | 0.03 |
| Loans to employees | 0.25 | 0.23 |
| Total unsecured | 0.67 | 0.26 |
| Total loans | 0.67 | 200.26 |

Loans and advances due from directors - NIL.

Note No.17 - Other current financial assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Secured, considered good (carried at amortised cost) | | |
| Current maturities of long term loan financing (refer note no. 7) | 822.98 | 497.58 |
| Unsecured, considered good (carried at amortised cost) | | |
| Security deposits | 22.60 | 11.19 |
| Finance lease receivables | 40.30 | 37.76 |
| GBI Claim Receivable from Indian Renewable Energy Development Agency (IREDA) | 5.45 | 3.50 |
| Others | 1.25 | 0.05 |
| Total | 892.58 | 550.08 |

Note No.18 - Other current assets

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Unsecured, considered good | | |
| Open access advances | 73.79 | 42.35 |
| Prepayments | 2.27 | 1.70 |
| Prepayment deposits | 0.05 | 0.05 |
| Balances with government authorities | 0.95 | - |
| Advance to employees | 0.09 | 0.06 |
| Other receivables | - | 0.40 |
| Advance to suppliers | 29.22 | 41.90 |
| Other advances * | 27.19 | 27.19 |
| Service tax credit | 0.04 | 0.17 |
| Deferred payroll expenditure | 0.03 | 0.03 |
| Interest accrued but not due on fixed deposit | 0.31 | 0.08 |
| Unsecured, considered doubtful | | |
| Advance to suppliers | 0.94 | 0.94 |
| Gross total | 134.88 | 114.87 |
| Less: Impairment allowance for doubtful advances to suppliers | 0.94 | 0.94 |
| Total | 133.94 | 113.93 |

* includes ₹ 20.48 crore (March 2017, ₹ 20.48 crore) deposited with a supplier and ₹ 6.45 crore (March 2017, ₹ 6.45 crore) deposited with Commissioner of custom. (Refer Note No 39)

Note No.19 - Share capital
a) Equity share capital

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Authorised 750,000,000 equity shares of ₹ 10/- each (Previous year 750,000,000 equity shares of ₹ 10/- each) | 750.00 | 750.00 |
| Issued, subscribed and fully paid up 296,008,321 equity shares of ₹10/- each (Previous year 296,008,321 equity shares of ₹10/- each) | 296.01 | 296.01 |

b) Movement in equity share capital

| Particulars | Shares (Nos.) | Shares (Nos.) |
|--|-------------------------------------|-------------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Outstanding at the beginning of the year | 296,008,321 | 296,008,321 |
| Issued during the year | - | - |
| Outstanding at the end of the year | 296,008,321 | 296,008,321 |

c) Terms and rights attached to each share.

The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

d) Dividend

(₹ in crore)

| Particulars | Paid during the year | |
|--|---|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| (i) Equity shares Final dividend for the year ended 31 st March 2017 of ₹ 3.00 (31 st March 2016: ₹ 2.50) per fully paid share | 88.80 | 74.00 |
| (ii) Dividends not recognised at the end of the reporting period | In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 4.00 (31 st March 2017: ₹ 3.00) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | |

e) Details of shareholders holding more than 5% shares in the Company*

| Name of the shareholders | As at 31.03.2018 | | As at 31.03.2017 | |
|--|------------------|--------------|------------------|--------------|
| | No. of shares | % holding | No. of shares | % holding |
| Life Insurance Corporation of India Limited* | 17,894,820 | 6.05% | 31,091,270 | 10.50% |
| Reliance group* | 20,591,058 | 6.96% | - | - |

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

f) Shares reserved for issue under options

Information relating to PTC India Limited Employee Stock Options Scheme (ESOP), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 53.

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Equity shares for employee stock options (ESOP) (nos.) | 21,000 | 21,000 |

Note No.20 - Other equity

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Securities premium account | 1,649.47 | 1,649.47 |
| Share option outstanding account | 0.12 | 0.12 |
| General reserve | 588.47 | 516.77 |
| Contingency reserve | 1.05 | 1.05 |
| Retained earnings | 1,246.96 | 1,114.85 |
| Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961) | 189.64 | 186.43 |
| Special reserve (in terms of Section 36(1) (viii) of the Income tax Act, 1961) | 193.02 | 151.67 |
| Foreign currency monetary items translation difference account | (12.47) | (19.30) |
| Reserve for equity instruments through other comprehensive income | (197.20) | (38.90) |
| Cash Flow Hedge Reserve | (2.09) | (2.75) |
| Other comprehensive income/(loss) | (0.55) | (0.31) |
| Total | 3,656.42 | 3,559.10 |

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Reserves & surplus | | |
| (i) Securities premium account | | |
| Opening balance | 1,649.47 | 1,711.07 |
| Add: Movement during the year | - | 148.55 |
| Less: Adjustment on consolidation | - | (210.15) |
| Sub total (i) | 1,649.47 | 1,649.47 |
| (ii) Capital reserve on consolidation | | |
| Share of capital reserve in associate company | - | 7.95 |
| Less: Adjustment on consolidation | - | (7.95) |
| Sub total (ii) | - | - |
| (iii) Share option outstanding account | | |
| Opening balance | 0.12 | 0.12 |
| Deductions during the year | - | - |
| Sub total (iii) | 0.12 | 0.12 |
| (iv) General reserve | | |
| Opening balance | 516.77 | 435.76 |
| Additions during the year | 71.70 | 81.01 |
| Sub total (iv) | 588.47 | 516.77 |

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| (v) Contingency reserve | | |
| Opening balance | 1.05 | 1.05 |
| Sub total (v) | 1.05 | 1.05 |
| (vi) Retained earnings | | |
| Opening balance | 1,114.85 | 864.22 |
| Add: Remeasurement of post-employment benefit obligation, net of tax | (0.10) | (0.04) |
| Add: Transferred from reserve for equity instrument through OCI | - | 65.86 |
| Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 | (3.21) | (44.89) |
| Less: Transferred to special reserve u/s 36(1)(vii) of the Income tax Act, 1961 | (41.35) | (46.08) |
| Add: Adjustment on consolidation | - | 31.82 |
| Add: Profit for the year | 355.35 | 414.72 |
| Less: Dividend paid | (88.80) | (74.00) |
| Less: Dividend tax on proposed dividend | (18.08) | (15.75) |
| Less: Transfer to general reserve | (71.70) | (81.01) |
| Sub total (vi) | 1,246.96 | 1,114.85 |
| (vii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961) | | |
| Opening balance | 186.43 | 130.67 |
| Add/less: Transferred from Retained Earnings | 3.21 | 44.89 |
| Add: Adjustment on consolidation | - | 10.87 |
| Sub total (vii) | 189.64 | 186.43 |
| (viii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961) | | |
| Opening balance | 151.67 | 97.48 |
| Add/less: Transferred from Retained Earnings | 41.35 | 46.08 |
| Add: Adjustment on consolidation | - | 8.11 |
| Sub total (viii) | 193.02 | 151.67 |
| (ix) Foreign currency monetary items translation difference account | | |
| Opening balance | (19.30) | (30.69) |
| Add/(less): Effect of foreign exchange rate variations during the year (net) | 1.24 | 4.25 |
| Add: Adjustment on consolidation | - | (2.55) |
| Add/less: Amortisation for the year | 5.59 | 9.69 |
| Sub total (ix) | (12.47) | (19.30) |

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| (x) Reserve for equity instruments through other comprehensive income (FVOCI-Equity Investment Reserve) | | |
| Opening balance | (38.90) | 37.78 |
| Add/(less): Change in fair value of FVOCI equity investments | (158.30) | (33.62) |
| Less : transfer to retained earning on disposal of investment | - | (65.86) |
| Add: Adjustment on consolidation | - | 27.64 |
| Add/less: Tax impact | - | (4.84) |
| Sub total (x) | (197.20) | (38.90) |
| (xi) Cash flow hedge reserve | | |
| Opening balance | (2.75) | - |
| Add/(less): MTM of derivatives instruments | 1.01 | (4.20) |
| Add/less: Tax impact | (0.35) | 1.45 |
| Sub total (xi) | (2.09) | (2.75) |
| Total Reserves & surplus (i) to (xi) | 3,656.97 | 3,559.41 |
| Other comprehensive income/(loss) | | |
| Opening balance | (0.31) | 0.04 |
| Additions during the year | (0.24) | (0.35) |
| Total other comprehensive income/(loss) | (0.55) | (0.31) |
| Grand Total other equity | 3,656.42 | 3,559.10 |

Nature and purpose of reserves:

Securities premium account

Securities premium account is used to record the premium on issue of shares/securities. This amount is utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share option outstanding account is used to record the value of equity settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

General Reserve

General Reserve is a free reserve which is created from retained earnings. The Company may pay dividend and issue fully paid-up bonus shares to its members out of the general reserve account, and company can use this reserve for buy-back of shares.

Contingency Reserve

General Reserve is a free reserve which is created from retained earnings. The company may use it to meet any contingency.

Retained Earnings

Retained earnings comprise of the Company's undistributed earnings after taxes.

FVOCI-Equity Investment Reserve

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes

are accumulated within FVTOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1961.

Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

This reserve is maintained in accordance with the provisions of Section 36(1)(viii) of the Income tax Act, 1961.

Foreign currency monetary items translation difference account

Foreign currency monetary items translation difference account comprises of the unamortised loss/gain on long term foreign currency monetary items (expect derivative financial instruments), for which the Previous GAAP policy is carried forward.

Cash flow hedge reserve

The Group uses derivative instruments as part of its management of foreign currency risk associated with borrowings. The Group separates the forward element and the spot element of a forward/swap contracts and designates as the hedging instrument only the change in the value of the spot element and not the forward element. Accordingly, the Group does not have any ineffectiveness in its hedges and the change in forward element is accumulated in the 'cash flow hedge reserve' and amortised on a systematic and rational basis over the period during which the hedge adjustment for the derivative instrument's spot element could affect profit or loss.

Note No.21 - Non-current borrowings

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Infrastructure Bonds | 1.30 | 12.17 |
| Debentures | 390.61 | 434.78 |
| External commercial borrowings from financial institutions | 346.86 | 422.02 |
| Term Loans | | |
| From bank | 5,903.63 | 4,688.40 |
| From other parties/ financial institution | 401.47 | 299.21 |
| Unsecured loans | | |
| Finance lease obligations (refer note no. (i) below and note no. 42) | 648.88 | 682.80 |
| Total | 7,692.75 | 6,539.38 |

(i) Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Group has ascertained that the PPA entered with one of its suppliers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been recognized as PPE and accounted as Finance Lease Obligations. Paid/ payable amounts against depreciation, interest on loan capital and return on equity (pre-tax) components to the supplier is adjusted against Finance Lease Obligations and interest. The interest component of the Finance Lease Obligations and amount paid on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest expense on assets under finance lease' under Note 35- 'Finance Cost'.

(ii) These borrowings are carried at amortised cost.

(iii) For additional information on borrowings refer Note No.-21A

Note No. 21 A- Additional information on borrowings

A Loans taken by subsidiary company - PTC Financial Services Limited

Non-current borrowings

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Infrastructure Bonds | 1.30 | 12.17 |
| Debentures | 390.61 | 434.78 |
| External commercial borrowings from financial institutions | 346.86 | 422.02 |
| Term Loans | | |
| From bank | 4,961.16 | 3,837.36 |
| Total | 5,699.93 | 4,706.33 |

Current borrowings

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-----------------------------------|---------------------|---------------------|
| From banks | | |
| Secured | 1,894.84 | 925.19 |
| Others | | |
| Unsecured | 25.00 | 50.00 |
| From financial institution | | |
| Secured | 1,340.16 | 1,080.00 |
| Commercial paper | | |
| Unsecured | 395.27 | 793.76 |
| Total current borrowings | 3,655.27 | 2,848.95 |

i. "i. 55,197 (previous year 60,167) privately placed 8.25%/8.30% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 1) amounting to ₹ 27.60 crore (previous year ₹ 30.08 crore) allotted on March 31, 2011 redeemable at par in 5 to 10 years commenced from March 31, 2016 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other unencumbered receivables of the Group to provide 100% security coverage. During the year, the Group has repaid ₹ 2.49 crore (previous year ₹ 4.28 crore) under buyback scheme exercised by eligible holders of infrastructure bonds in FY2017-18 as per terms of Infra Series 1.

245,685 (previous year 281,576) privately placed 8.93%/9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 2) amounting to ₹ 122.84 crore (previous year ₹ 140.79 crore 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 Group to provide the 100% security coverage. During the year, the Group has repaid ₹ 17.95 crore (previous year ₹ 18.82 crore) under buyback scheme exercised by eligible holders of infrastructure bonds in FY2017-18 as per terms of Infra Series 2."

ii. 900 (previous year 900) privately placed 10.50% secured redeemable non-convertible debentures of ₹ 833,333 (previous year ₹ 1,000,000 each) (Series 3) amounting to ₹ 75.00 crore (previous year ₹ 90.00 crore) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018.

Series 3 debentures are secured by way of mortgage of immovable building and first charge by way of hypothecation of the receivables of the loan

assets created from the proceeds of respective debentures. Further, the same have also been secured by pari-passu charge by way of hypothecation of the receivables of loan assets created by the Group out of its own sources which are not charged to any other lender of the Group to the extent of 125% of debentures.

2135 (previous year 2135) privately placed 9.62% secured redeemable non-convertible debentures of ₹ 1,000,000 each (Series 4) amounting to ₹ 213.50 crore were allotted on June 03, 2015 redeemable at par in 3 tranches divided in 33% of face value on 28th May 2019, 33% of face value on 28th May 2021 and balance 34% of face value on 28th May 2025

Series 4 debentures are secured by way of first charge by way of hypothecation of the specified receivables of the Group comprising asset cover of at least 110% of the amount of the Debentures

Series 5 debentures are secured by way of first ranking exclusive charge by way of hypothecation of the identified receivables of the Group comprising asset cover of at least 100% of the amount of the Debentures.

- iii. Term loans from banks carry interest ranging from 8.15% to 8.50% p.a. The loans carry various repayment schedules according to their respective

sanctions and thus are repayable in 12 to 48 quarterly instalments. The loans are secured by first pari-passu charge by way of hypothecation of the current assets including book debts, investments and other receivables (other than assets created/ to be created by line of credit of other financial institutions / banks) so that lenders should have at least 100%/ 111% security coverage on its outstanding loan at all times during the currency of the loan.

- iv. External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a. The loans are repayable in 32/36 equal quarterly instalments as per the due dates specified in the respective loan agreements. The borrowings are secured by way of first ranking exclusive charge on all present and future receivables of the eligible loan assets created by the proceeds of ECB. Repayment of 4 ECB loans of which 4 quarterly instalment amounting to USD 28,88,888 (₹ 18.62 crore) on first ECB loan, 4 quarterly instalment amounting to USD 62,50,000 (₹ 40.34 crore) on two of the ECB loans and 1 quarterly instalment amounting to USD 625,000 (₹ 4.18 crore) on another ECB loan was made during the year ended March 31, 2018
- v. In terms of the RBI/DNBR/2016-17/45 Master Direction DNBR. PD.008/03.10.119/2016-17 dated September 01, 2016) no borrowings remained overdue as at March 31, 2018 (previous year Nil).

B Loans taken by subsidiary company - PTC Energy Limited

(i) Non-current borrowings- From banks

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|
| *From Banks | | |
| 30 MW Gamesa Project at Jaora, Madhya Pradesh | | |
| ICICI Bank Limited ¹ | 58.18 | 64.67 |
| State Bank of India ² | 23.02 | 25.07 |
| 50 MW Gamesa Project at Molagavalli, Andhra Pradesh | | |
| Bank of India ³ | 57.77 | 45.63 |
| ICICI Bank Limited- 14 | 25.12 | 52.86 |
| ICICI Bank Limited- 24 | 68.80 | 74.83 |
| Oriental Bank of Commerce ⁵ | 61.63 | 50.91 |
| 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh | | |
| Bank of India ⁶ | 40.76 | 41.41 |
| ICICI Bank Limited ⁷ | 69.63 | 75.42 |
| South Indian Bank Limited ⁸ | 90.17 | 97.91 |
| 49.5 MW ReGen Project at Devenkonda, Andhra Pradesh | | |
| State Bank of India ⁹ | 225.58 | 164.64 |
| 50 MW Gamesa Project at Bableshtar, Karnataka | | |
| Canara Bank ¹⁰ | 39.02 | 42.98 |
| Central Bank of India ¹¹ | 48.21 | 0.00 |
| IndusInd Bank Limited ¹² | 56.16 | 94.79 |
| 40 MW Inox Project at Payalakuntla, Andhra Pradesh | | |
| South Indian Bank Limited ¹³ | 44.61 | 19.86 |
| IndusInd Bank Limited ¹⁴ | 33.81 | 0.01 |
| Total | 942.47 | 851.04 |

| Terms of Repayment | Effective interest rate | Repayable (No. of installments) | Date of Sanction of Loan | (EMI in ₹ crore) |
|--|-------------------------|---------------------------------|--------------------------|-----------------------|
| ICICI Bank Limited (30 MW Project at Jaora, Madhya Pradesh) | 10.34% | 56 Quarterly | 21/Oct/15 | 1.25 |
| State Bank of India (30 MW Project at Jaora, Madhya Pradesh) | 10.35% | 56 Quarterly | 17/Dec/15 | 0.48 |
| Bank of India (50 MW Project at Molagavalli, Andhra Pradesh) | 9.95% | 53 Quarterly | 02/Jan/17 | 0.88 |
| ICICI Bank Limited-1 (50 MW Project at Molagavalli, Andhra Pradesh) | 9.88% | 53 Quarterly | 25/Jan/17 | 1.03 |
| ICICI Bank Limited-2 (50 MW Project at Molagavalli, Andhra Pradesh) | 9.88% | 53 Quarterly | 25/Jan/17 | 1.44 |
| Oriental Bank of Commerce (50 MW Project at Molagavalli, Andhra Pradesh) | 9.92% | 53 Quarterly | 23/Feb/17 | 0.99 |
| Bank of India (49.3 MW Project at Kandimallayapalli, Andhra Pradesh) | 9.92% | 53 Quarterly | 02/Jan/17 | 0.81 |
| ICICI Bank Limited (49.3 MW Project at Kandimallayapalli, Andhra Pradesh) | 9.91% | 53 Quarterly | 09/Nov/16 | 1.46 |
| South Indian Bank Limited (49.3 MW Project at Kandimallayapalli, Andhra Pradesh) | 9.90% | 53 Quarterly | 16/Nov/16 | 1.89 |
| State Bank of India (49.5 MW Project at Devenkonda, Andhra Pradesh) | 9.81% | 58 Quarterly | 10/Jan/17 | 2.86 |
| Canara Bank (50 MW Project at Bableshtar, Karnataka) | 10.14% | 2 Quarterly | 31/Jan/17 | 1.25% of the facility |
| | | 16 Quarterly | | 1.50% of the facility |
| | | 16 Quarterly | | 1.75% of the facility |
| | | 8 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.25% of the facility |
| | | 5 Quarterly | | 2.30% of the facility |
| Central Bank (50 MW Project at Bableshtar, Karnataka) | 10.11% | 2 Quarterly | 30/Jan/17 | 1.25% of the facility |
| | | 16 Quarterly | | 1.50% of the facility |
| | | 16 Quarterly | | 1.75% of the facility |
| | | 8 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.25% of the facility |
| | | 5 Quarterly | | 2.23% of the facility |
| IndusInd Bank Limited (50 MW Project at Bableshtar, Karnataka) | 9.44% | 2 Quarterly | 08/Sep/16 | 1.25% of the facility |
| | | 16 Quarterly | | 1.50% of the facility |
| | | 16 Quarterly | | 1.75% of the facility |
| | | 8 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.25% of the facility |
| | | 5 Quarterly | | 2.30% of the facility |
| South Indian Bank Limited (40 MW Project at Payalakuntla, Andhra Pradesh) | 10.31% | 12 Quarterly | 20/Mar/17 | 1.40% of the facility |
| | | 4 Quarterly | | 1.50% of the facility |
| | | 4 Quarterly | | 1.60% of the facility |
| | | 4 Quarterly | | 1.70% of the facility |
| | | 4 Quarterly | | 1.80% of the facility |
| | | 12 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.10% of the facility |
| | | 1 Quarterly | | 2.26% of the facility |
| | | 2 Quarterly | | 2.27% of the facility |
| | | 4 Quarterly | | 2.30% of the facility |
| IndusInd Bank Limited (40 MW Project at Payalakuntla, Andhra Pradesh) | 10.18% | 12 Quarterly | 13/Dec/16 | 1.40% of the facility |
| | | 4 Quarterly | | 1.50% of the facility |
| | | 4 Quarterly | | 1.60% of the facility |
| | | 4 Quarterly | | 1.70% of the facility |
| | | 4 Quarterly | | 1.80% of the facility |
| | | 12 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.10% of the facility |
| | | 1 Quarterly | | 2.26% of the facility |
| | | 2 Quarterly | | 2.27% of the facility |
| | | 4 Quarterly | | 2.30% of the facility |

Securities of the above loans are given as below:

¹ICICI Bank Limited (30 MW in Jaora, Ratlam District, Madhya Pradesh)

The Facilities, interest thereon and all other amounts outstanding in respect thereof shall be secured inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment to the satisfaction of the Lenders over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project (present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to The Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.

Above mentioned security to be shared on pari-passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower to the extent approved by lenders.

²State Bank of India (30 MW in Jaora, Ratlam District, Madhya Pradesh)

Primary Security: The TL Facility, together with interest, liquidated damages, costs and whatsoever payable to the Lenders and their trustees shall be secured inter alia by:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment to the satisfaction of the Lenders over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project (present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to The Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.

The above mentioned security shall rank pari-passu basis with the Lenders of the RTL facility.

³Bank of India (50 MW, Mollagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof shall be secured in favour of the Lender/security trustee inter alia by

a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment to the satisfaction of the Lenders over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future)
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

- Execution of bilateral Deed of Hypothecation for (b) and (d) above to be done prior to initial drawdown date and form CHG-1 shall be filed with ROC within 7 days from execution of Deed of Hypothecation
- First charge on Immovable properties to be created and perfected in favour of lender as stipulated in point (a) above within 3 months from SCOD.
- Assignment of Power Purchase Agreements and O&M Agreement and as stipulated in (c) above in favour of Lender to be created and perfected within 90 days from the SCOD.
- Assignment over all other project documents as stipulated in (c) above except Power Purchase Agreement and O&M contract in favour of lender to be created and perfected within 30 days from Initial Drawdown Date.
- Charge over project accounts including as stipulated in (f) but not limited to TRA and DSRA account to be created with ICICI Bank Ltd within 30 days from the Initial Drawdown Date.

In the event, the Borrower does not create or procure creation of full and final security in favour of ICICI Bank in the manner stated above or such other extended period as may be permitted by ICICI Bank, Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of such security.

In case Lender feels that the Security is insufficient to cover the Facility, Lender may ask the Borrower to provide additional security.

⁴ICICI Bank Limited (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof shall be secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project,
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;

- c) Assignment to the satisfaction of the Lenders over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future)
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

- Execution of bilateral Deed of Hypothecation for (b) and (d) above to be done prior to initial drawdown date and form CHG-1 shall be filed with ROC within 7 days from execution of Deed of Hypothecation
- First charge on Immovable properties to be created and perfected in favour of lender as stipulated in point (a) above within 3 months from SCOD.
- Assignment of Power Purchase Agreements and O&M Agreement and as stipulated in (c) above in favour of Lender to be created and perfected within 90 days from the SCOD.
- Assignment over all other project documents as stipulated in (c) above except Power Purchase Agreement and O&M contract in favour of lender to be created and perfected within 30 days from Initial Drawdown Date.
- Charge over project accounts including as stipulated in (f) but not limited to TRA and DSRA account to be created with ICICI Bank Ltd within 30 days from the Initial Drawdown Date.

In the event, the Borrower does not create or procure creation of full and final security in favour of ICICI Bank in the manner stated above or such other extended period as may be permitted by ICICI Bank, Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of such security.

In case Lender feels that the Security is insufficient to cover the Facility, Lender may ask the Borrower to provide additional security.

⁵Oriental Bank of Commerce (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof shall be secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project,
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment to the satisfaction of the Lenders over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future)

- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

- Execution of bilateral Deed of Hypothecation for (b) and (d) above to be done prior to initial drawdown date and form CHG-1 shall be filed with ROC within 7 days from execution of Deed of Hypothecation
- First charge on Immovable properties to be created and perfected in favour of lender as stipulated in point (a) above within 3 months from SCOD.
- Assignment of Power Purchase Agreements and O&M Agreement and as stipulated in (c) above in favour of Lender to be created and perfected within 90 days from the SCOD.
- Assignment over all other project documents as stipulated in (c) above except Power Purchase Agreement and O&M contract in favour of lender to be created and perfected within 30 days from Initial Drawdown Date.
- Charge over project accounts including as stipulated in (f) but not limited to TRA and DSRA account to be created with ICICI Bank Ltd within 30 days from the Initial Drawdown Date.

In the event, the Borrower does not create or procure creation of full and final security in favour of ICICI Bank in the manner stated above or such other extended period as may be permitted by ICICI Bank, Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of such security.

In case Lender feels that the Security is insufficient to cover the Facility, Lender may ask the Borrower to provide additional security.

⁶Bank of India (49.3 MW, Kandimalayapalli)

1. The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement shall be secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :
 - a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
 - b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
 - c) Assignment to the satisfaction of the Lender over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
 - d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
 - e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
 - f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).
2. The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

3. Security provided under 1 above shall be created and perfected in the following manner:

- a) Security provided under 1 (b) and (d) prior to Initial Drawdown Date and form CHG-1 shall be filed with Registrar of Companies (ROC) within seven days from execution of Deed of Hypothecation;
- b) Security provided under 1 (a) within 3 months from SCOD;
- c) Assignment of Power Purchase Agreements and O&M Agreement and Sub Lease Agreement between Borrower and EPC Contractor/ Sub Contractor as stipulated in 1(c) within 90 days from the SCOD;
- d) Assignment over all other project documents as stipulated in 1(c) except Power Purchase Agreements and O&M Agreement and Sub Lease Agreement within 30 days from Initial Drawdown Date;
- e) Security provided under 1(f) within 30 days from the Initial Drawdown Date.

4. In the event of failure of the Borrower to create or procure creation of full and final security in favour of the Lender as provided in Clause 3 above or such other extended period as may be permitted by the Lender, the Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of security.

5. CREATION OF ADDITIONAL SECURITY

If, at any time during the subsistence of the Facility Agreement, the Lender is of the opinion that the Security provided for the Facility has become inadequate to cover the Facility then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall procure, provide and furnish to the Lender/Security Trustee, to the satisfaction of the Lender such additional security as may be acceptable to the Lender to cover such deficiency.

⁷ICICI Bank Limited (49.3 MW, Kandimallayapalli)

1. The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement shall be secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment to the satisfaction of the Lender over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2. The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

3. Security provided under 3.1 shall be created and perfected in the following manner:

- a) Security provided under 1(b) and (d) prior to Initial Drawdown Date and form CHG-1 shall be filed with Registrar of Companies (ROC) within seven days from execution of Deed of Hypothecation;
- b) Security provided under 1 (a) within 3 months from SCOD;
- c) Assignment of Power Purchase Agreements and O&M Agreement and Sub Lease Agreement between Borrower and EPC Contractor/ Sub Contractor as stipulated in 1 (c) within 90 days from the SCOD;
- d) Assignment over all other project documents as stipulated in 1(c) except Power Purchase Agreements and O&M Agreement and Sub Lease Agreement within 30 days from Initial Drawdown Date;
- e) Security provided under 1(f) within 30 days from the Initial Drawdown Date.

4. In the event of failure of the Borrower to create or procure creation of full and final security in favour of the Lender as provided in Clause 3 above or such other extended period as may be permitted by the Lender, the Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of security.

5. CREATION OF ADDITIONAL SECURITY

If, at any time during the subsistence of the Facility Agreement, the Lender is of the opinion that the Security provided for the Facility has become inadequate to cover the Facility then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall procure, provide and furnish to the Lender/Security Trustee, to the satisfaction of the Lender such additional security as may be acceptable to the Lender to cover such deficiency.

⁸South Indian Bank Limited (49.3 MW, Kandimallayapalli)

1. The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement shall be secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment to the satisfaction of the Lender over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2. The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

3 Security provided under 1 above shall be created and perfected in the following manner:

- a) Security provided under 1. (b) and (d) prior to Initial Drawdown Date and form CHG-1 shall be filed with Registrar of Companies (ROC) within seven days from execution of Deed of Hypothecation;

- b) Security provided under 1. (a) within 3 months from SCOD;
 - c) Assignment of Power Purchase Agreements and O&M Agreement and Sub Lease Agreement between Borrower and EPC Contractor/ Sub Contractor as stipulated in 1. (c) within 90 days from the SCOD;
 - d) Assignment over all other project documents as stipulated in 1. (c) except Power Purchase Agreements and O&M Agreement and Sub Lease Agreement within 30 days from Initial Drawdown Date;
 - e) Security provided under 1(f) within 30 days from the Initial Drawdown Date.
4. In the event of failure of the Borrower to create or procure creation of full and final security in favour of the Lender as provided in Clause 3 above or such other extended period as may be permitted by the Lender, the Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of security.

5. CREATION OF ADDITIONAL SECURITY

If, at any time during the subsistence of the Facility Agreement, the Lender is of the opinion that the Security provided for the Facility has become inadequate to cover the Facility then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall procure, provide and furnish to the Lender/Security Trustee, to the satisfaction of the Lender such additional security as may be acceptable to the Lender to cover such deficiency.

⁹State Bank of India (49.5 MW, Devanakonda)

- 1 The Security for the lending shall inter-alia, include:
- a) First charge over all immovable properties/ assets of Project, both present and future, except common facilities.
 - b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
 - c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
 - d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
 - e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
 - f) Hypothecation charge/assignment of security interest of all the Borrower's project rights and rights pertaining to the common facilities (including Right of Way, if any, for transmission line up to the delivery point for electricity, access roads, evacuation rights), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee (including advance bank guarantees received from EPC Contractor to the extent permissible by law) and insurance policies issued in favour of the Borrower, specific to the Project.

The Borrower shall create and perfect security before first draw-down.

¹⁰Canara Bank (50 MW, Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future.
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery,

machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.

- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.
- g) The Borrower shall create and perfect the above security before first draw-down except the following:
- h) First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

¹¹Central Bank of India (50 MW in Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future.
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.
- g) The Borrower shall create and perfect the above security before first draw-down except the following:
- h) First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

¹²Indusind Bank Limited (50 MW in Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future.
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.

- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.
- g) The Borrower shall create and perfect the above security before first draw-down except the following:
- h) First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

¹³South Indian Bank Limited (40MW in Payalakupntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future.
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing

and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

- g) The Borrower shall create and perfect the above security before first draw-down except the following:
- h) First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

¹⁴Indusind Bank Limited (40 MW in Payalakupntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future.
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.
- g) The Borrower shall create and perfect the above security before first draw-down except the following:
- h) First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

(II) Non-current borrowings- From other

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| ²⁰ MW Inox Project at Nipaniya, Madhya Pradesh | | |
| ¹⁵ Rural Electrification Corporation Limited | 70.21 | 71.41 |
| ⁴⁰ MW Inox Project at Payalakupntla, Madhya Pradesh | | |
| ¹⁶ Tata Cleantech Capital Limited | 91.24 | 74.61 |
| ^{49.3} MW GE Project at Kandimallayapalli, Andhra Pradesh | | |
| ¹⁷ India Infrastructure Finance Company Limited | 64.83 | 17.87 |
| ⁵⁰ MW Gamesa Project at Molagavalli, Andhra Pradesh | | |
| ¹⁸ India Infrastructure Finance Company Limited | 33.46 | 0.00 |
| ⁵⁰ MW Gamesa Project at Bableshwar, Karnataka | | |
| ¹⁹ Aditya Birla Finance Limited | 141.73 | 135.31 |
| Total | 401.47 | 299.21 |

| Terms of Repayment | Effective interest rate | Repayable (No. of installments) | Date of Sanction of Loan | (EMI in ₹ crore) |
|---|-------------------------|---------------------------------|--------------------------|-----------------------|
| Rural Electrification Corporation Limited (20 MW Project at Nipaniya, Madhya Pradesh) | 10.61% | 56 (Quarterly) | 28-Jan-16 | 1.47 |
| Tata Cleantech Capital Limited (40 MW Project at Payalakuntla, Andhra Pradesh) | 10.30% | 12 Quarterly | 27-Feb-17 | 1.40% of the facility |
| | | 4 Quarterly | | 1.50% of the facility |
| | | 4 Quarterly | | 1.60% of the facility |
| | | 4 Quarterly | | 1.70% of the facility |
| | | 4 Quarterly | | 1.80% of the facility |
| | | 12 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.10% of the facility |
| | | 1 Quarterly | | 2.26% of the facility |
| | | 2 Quarterly | | 2.27% of the facility |
| | | 4 Quarterly | | 2.30% of the facility |
| India Infrastructure Finance Company Limited (49.3 MW Project at Kandimallayapalli, Andhra Pradesh) | 9.84% | 30 Quarterly | 18-Jan-17 | 0.89% of the facility |
| | | 6 Quarterly | | 1.00% of the facility |
| | | 1 Quarterly | | 1.87% of the facility |
| | | 11 Quarterly | | 1.89% of the facility |
| | | 1 Quarterly | | 2.00% of the facility |
| | | 4 Quarterly | | 2.89% of the facility |
| | | 8 Quarterly | | 3.89% of the facility |
| | | | | |
| India Infrastructure Finance Company Limited (50 MW Project at Molagavalli, Andhra Pradesh) | 9.95% | 30 Quarterly | 22-Feb-17 | 0.89% of the facility |
| | | 11 Quarterly | | 1.89% of the facility |
| | | 6 Quarterly | | 1.00% of the facility |
| | | 1 Quarterly | | 1.83% of the facility |
| | | 1 Quarterly | | 2.00% of the facility |
| | | 4 Quarterly | | 2.89% of the facility |
| | | 8 Quarterly | | 3.89% of the facility |
| Aditya Birla Finance Limited (50MW at Bableshtar, Karnataka) | 9.41% | 2 Quarterly | 13-Oct-16 | 1.25% of the facility |
| | | 16 Quarterly | | 1.50% of the facility |
| | | 16 Quarterly | | 1.75% of the facility |
| | | 8 Quarterly | | 2.00% of the facility |
| | | 8 Quarterly | | 2.25% of the facility |
| | | 5 Quarterly | | 2.30% of the facility |

¹⁵Rural Electrification Corporation Limited (20 MW in Nipaniya, Mandasaur District, Madhya Pradesh)

The entire Rupee Term Loan together with interest, costs, expenses and all other monies whatsoever accruing out of the Loan Agreement shall be secured in the form and manner as under and to the satisfaction of REC.

A) By Mortgage: Exclusive first charge by way of mortgage of all immovable assets pertaining to the project (20MW wind in Nipaniya). Such mortgage shall be executed within six months from the date of first disbursement, subject to additional specific condition in this regard.

AND

B) By Hypothecation: First Charge by way of hypothecation of all the Borrower's movable properties, including plant and machinery spare, equipment, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, created/ to be created in the project (20 MW Wind in Nipaniya) (and also first charge by way of hypothecation/ assignment of all the book debts, bills, receivables, monies including

bank accounts, claims of all kinds and stocks including consumables and other general stores, arising out of the project. Only book debts, bills, receivables and stocks excluding stores relating to plant and machinery shall be subject to the first charge in favour of Working Capital Lenders and second charge shall be created in favour of REC.

AND

C) **By Assignment:** A first charge by way of assignment or creation of security interest including all rights, title, interest, benefits, claims and demands whatsoever of the project-

- a) in the Project documents/Contracts, as amended, varied or supplemented from time to time;
- b) in the Clearances relating to the project (investor approval etc) and
- c) all insurance Contracts/Insurance Proceeds;

Such assignment shall be executed within six months from the date of first disbursement.

¹⁶TATA Cleantech (40 MW Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future.
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.
- g) The Borrower shall create and perfect the above security before first draw-down except the following:
 - First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

PPA to be executed prior to SCOD

¹⁷ India Infrastructure Finance Company Limited (49.3 MW Kandimallayapalli)

1. The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement shall be secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :
 - a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
 - b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
 - c) Assignment to the satisfaction of the Lender over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
 - d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
 - e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
 - f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).
2. The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.
3. Security provided under 1 above shall be created and perfected in the following manner:

- a) Security provided under 1 (b) and (d) prior to Initial Drawdown Date and form CHG-1 shall be filed with Registrar of Companies (ROC) within seven days from execution of Deed of Hypothecation;
 - b) Security provided under 1 (a) within 3 months from SCOD;
 - c) Assignment of Power Purchase Agreements and O&M Agreement and Sub Lease Agreement between Borrower and EPC Contractor/ Sub Contractor as stipulated in 1 (c) within 90 days from the SCOD;
 - d) Assignment over all other project documents as stipulated in 1(c) except Power Purchase Agreements and O&M Agreement and Sub Lease Agreement within 30 days from Initial Drawdown Date;
 - e) Security provided under 1 (f) within 30 days from the Initial Drawdown Date.
4. In the event of failure of the Borrower to create or procure creation of full and final security in favour of the Lender as provided in Clause 3 above or such other extended period as may be permitted by the Lender, the Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of security.

5. CREATION OF ADDITIONAL SECURITY

If, at any time during the subsistence of the Facility Agreement, the Lender is of the opinion that the Security provided for the Facility has become inadequate to cover the Facility then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall procure, provide and furnish to the Lender/Security Trustee, to the satisfaction of the Lender such additional security as may be acceptable to the Lender to cover such deficiency.

¹⁸India Infrastructure Finance Company Limited (50 MW Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof shall be secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project,
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment to the satisfaction of the Lenders over all or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future)
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

- Execution of bilateral Deed of Hypothecation for (b) and (d) above to be done prior to initial drawdown date and form CHG-1 shall be filed with ROC within 7 days from execution of Deed of Hypothecation
- First charge on Immovable properties to be created and perfected in favour of lender as stipulated in point (a) above within 3 months from SCOD.

- Assignment of Power Purchase Agreements and O&M Agreement and as stipulated in (c) above in favour of Lender to be created and perfected within 90 days from the SCOD.
- Assignment over all other project documents as stipulated in (c) above except Power Purchase Agreement and O&M contract in favour of lender to be created and perfected within 30 days from Initial Drawdown Date.
- Charge over project accounts including as stipulated in (f) but not limited to TRA and DSRA account to be created with ICICI Bank Ltd within 30 days from the Initial Drawdown Date

In the event, the Borrower does not create or procure creation of full and final security in favour of ICICI Bank in the manner stated above or such other extended period as may be permitted by ICICI Bank, Interest Rate shall be increased by 1.0% per annum applicable on the outstanding Facility amount till creation of such security.

In case Lender feels that the Security is insufficient to cover the Facility, Lender may ask the Borrower to provide additional security.

¹⁹ Aditya Birla Finance Limited (50 MW, Bableshwar)

The Security for the lending shall inter-alia, include:

- First charge over all immovable properties/ assets of Project, both present and future.
- First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc.
- First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project.
- First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project.
- First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project.
- Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.
- The Borrower shall create and perfect the above security before first draw-down except the following:

-First Charge on immovable assets to be created and perfected within 6 months from COD. This shall include obtaining necessary NOC from lessor of revenue land, if any.

Note:

The Carrying amounts of financial assets and property, plant and equipments pledged as security for current and non current borrowings are disclosed in Note No. 46.

Note No.22 - Other financial liabilities

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------------|---------------------|---------------------|
| Deferred processing/upfront fees | 21.40 | 25.42 |
| Derivative liabilities | 7.58 | 9.06 |
| Total | 28.98 | 34.48 |

Note No.23 - Non-current provisions

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Provision for employee benefits | 7.84 | 7.40 |
| Contingent provision against standard assets | 191.96 | 96.11 |
| Total | 199.80 | 103.51 |

Disclosures required by Ind AS 19 'Employee Benefits' is made in Note No. 43

A contingent provision against standard assets includes provision created @ 0.50% of the outstanding standard assets in terms of the RBI circular ((Ref. No. DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016) and provision against restructured standard loans as per applicable RBI guidelines.

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

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Opening balance | 96.11 | 60.32 |
| Additions during the year | 101.85 | 35.79 |
| Less:-Transferred to provision for non-performing assets | (6.00) | - |
| Closing balance | 191.96 | 96.11 |

Note No.24 - Current borrowings

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|-----------------------------------|---------------------|---------------------|
| From banks | | |
| Secured | 1,894.84 | 925.19 |
| Unsecured | 25.00 | 50.00 |
| From financial institution | | |
| Secured | 1,340.16 | 1,080.00 |
| Commercial paper | | |
| Unsecured | 395.27 | 793.76 |
| Total | 3,655.27 | 2,848.95 |

For additional information on borrowings refer Note No. 21A

These borrowings are carried at amortised cost

Note No.25- Trade payables

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Trade payables - micro & small enterprises | - | - |
| Trade payables | 2,237.96 | 2,737.30 |
| Total | 2,237.96 | 2,737.30 |

Based on the information available with the Group, there are no dues as at March 31, 2018 payable to enterprises covered under "Micro Small and Medium Enterprises Development Act, 2006" except disclosed in Note No. 54 (f)

Note No.26 - Other current financial liabilities

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|---------------------|---------------------|
| Current Maturities of long term debt | 964.40 | 572.71 |
| Current maturities of finance lease obligations | 40.30 | 37.76 |
| Unpaid dividend (Refer note below) | 1.67 | 1.30 |
| Unclaimed interest on debentures | 4.56 | 5.68 |
| Interest accrued and due on borrowings | - | 0.37 |
| Interest accrued but not due on borrowings | 100.56 | 99.13 |
| Unclaimed equity share application money | 0.02 | 0.02 |
| Capital creditors | 47.29 | 339.21 |
| Other payables | | |
| -Security deposits received | 6.35 | 5.89 |
| -Payable to employees | 4.73 | 4.27 |
| Total | 1,169.88 | 1,066.34 |

Unpaid dividends are the amounts which have not been claimed by the investors. There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at year end.

Note No.27 - Other current liabilities

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------|---------------------|---------------------|
| Advances from customers | 49.00 | 50.31 |
| Statutory dues | 8.57 | 20.19 |
| Income received in advance | 1.71 | 1.42 |
| Total | 59.28 | 71.92 |

Note No.28 - Current provisions

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---------------------------------|---------------------|---------------------|
| Provision for employee benefits | 0.57 | 0.66 |
| Total | 0.57 | 0.66 |

Disclosures required by Ind AS 19 'Employee Benefits' is made in Note No. 43

Note No.29 - Current tax liabilities (net)

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------------|---------------------|---------------------|
| Current tax (net of advance tax) | 2.62 | 6.37 |
| Total | 2.62 | 6.37 |

Note No.30 - Revenue from operations

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------------|-------------------------------------|
| Income from Operations | | |
| Sale of electricity | 18,118.46 | 13,806.44 |
| Interest income from | | |
| -Long financing | 1,118.04 | 1,112.00 |
| -Debentures | - | 3.68 |
| Other operating income | | |
| Dividend income on non-current unquoted trade investments in equity shares | - | 4.55 |
| Profit on sale of investments | | |
| - Non-current unquoted trade investments in equity shares | - | 11.59 |
| -Current unquoted non-trade investment in mutual funds | - | 0.11 |
| Interest on fixed deposits | 0.44 | 0.46 |
| Fee based income | 51.51 | 54.63 |
| Sale of services (consultancy) | 11.60 | 8.35 |
| Recoveries of Revenue Loss | 12.69 | - |
| Generation based incentive on wind energy* | 24.43 | 3.50 |
| Lease rentals income on asset under operating lease (refer note below) | 184.97 | 193.40 |
| Surcharge on sale of power (refer note no. 54 (b) (i) & (ii)) | 118.59 | 111.84 |
| Total | 19,640.73 | 15,310.55 |

Considering the provisions of Appendix C to Ind AS-17 on Leases w.r.t. determining whether an arrangement contains a lease, the Group has ascertained that the PSA entered with one of its customers falls under operating lease. Recovery of amounts against depreciation, interest on loan capital and return on equity (pre-tax) from the customer are considered as lease rentals on the assets under operating lease.

* in nature of Govt. Grant.

Note No.31 - Other income

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------------|-------------------------------------|
| Interest from financial assets at amortised cost | | |
| -Deposit with banks | 4.13 | 2.82 |
| -Interest income on financial assets at amortised cost at EIR | 0.14 | 0.21 |
| -Recovery of Penal Interest charged by lenders from Wind mill contractors | 0.37 | - |
| -Interest income on assets under finance lease (Refer note (a) below) | 115.62 | 132.95 |
| Dividend from | | |
| -Current investments in mutual funds measured at fair value through profit or loss | 18.95 | 24.27 |
| Other non-operating income | | |
| - Profit on sale/redemption of upquoted investments in mutual funds (net) (refer note no (b) below) | 3.89 | 10.33 |
| -Liabilities no longer required written back | - | 29.48 |
| -Rental income | 0.02 | - |
| -Exchange gain (net) | 0.03 | 1.51 |
| -Gain on MTM of options | 1.96 | - |
| -Interest on Income tax refund | - | 0.04 |
| -Miscellaneous income | 0.76 | 1.31 |
| Total | 145.87 | 202.92 |

- (a) Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Group has ascertained that the PSA entered with one of its customers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivables. Recovery of amounts against depreciation, interest on loan capital and return on equity (pre-tax) components from the customer is adjusted against Finance Lease Receivables and interest. The interest component of the Finance Lease Receivables and amount received on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest income on assets under finance lease'.
- (b) Profit on sale/ redemption of investment includes fair value gain on financial instruments at fair value through profit or loss.

Note No.32 - Purchases

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--------------------------|-------------------------------|-------------------------------|
| Purchases of electricity | 17,563.38 | 13,479.27 |
| Total | 17,563.38 | 13,479.27 |

Note No.33 - Operating expenses

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| Electricity charges | 3.08 | 0.36 |
| Lease rental expenses on assets under operating lease (refer note below) | 184.97 | 193.40 |
| Inspection Charges - CEIG | 0.11 | - |
| Sales Rebate | 1.33 | - |
| Operation and Maintenance expenses | 0.59 | - |
| Surcharge expenses (Refer note 54 (b) (i) & (ii)) | 4.46 | 16.67 |
| Rent on projects lands | 0.42 | 0.17 |
| Total | 194.96 | 210.60 |

Considering the provisions of Appendix C to Ind AS-17 on Leases w.r.t. determining whether an arrangement contains a lease, the Group has ascertained that the PPA entered with one of its suppliers falls under operating lease. Paid/payables amounts against depreciation, interest on loan capital and return on equity (pre-tax) to the supplier are considered as lease rental expenses on the assets under operating lease.

Note No.34 Employee benefit expense

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| Salaries and wages | 42.30 | 38.77 |
| Contribution to provident and other funds | 1.63 | 1.55 |
| Gratuity | 1.37 | 0.74 |
| Staff welfare expenses | 2.91 | 2.93 |
| Total | 48.21 | 43.99 |

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note No. 43.

Note No.35 - Finance costs

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|---|-------------------------------|-------------------------------|
| Interest expenses on: | | |
| - On Infra Bonds | 22.18 | 22.64 |
| - On Debentures | 45.24 | 45.32 |
| - On Loans from Banks/ Financial Institutions | 671.09 | 485.86 |
| - On External Commercial Borrowings | 27.21 | 21.79 |
| - On Commercial Paper | 51.18 | 73.82 |
| - Interest expense on assets under finance lease (refer note no. (a) below) | 115.70 | 133.03 |
| - Interest expense on financial liabilities measured at amortised cost (refer note no. (b) below) | 0.80 | 0.78 |
| - Interest on payment of income tax | 0.79 | 0.78 |
| Other Borrowing Costs: | | |
| - Other charges on term loans and other borrowings | 1.58 | 0.80 |
| - Amortisation of foreign currency translation | 8.60 | 14.91 |
| Total | 944.37 | 799.73 |

- (a) Considering the provisions of Appendix C to Ind AS-17 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the Group has ascertained that the PPA entered with one of its suppliers falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been recognized as PPE and accounted as Finance Lease Obligations. Paid/ payable amounts against depreciation, interest on loan capital and return on equity (pre-tax) components to the supplier is adjusted against Finance Lease Obligations and interest. The interest component of the Finance Lease Obligations and amount paid on account of revision of tariff of previous periods in respect of the above three elements are recognised as 'Interest expense on assets under finance lease'.
- (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 36-Provision for expected credit loss

(₹ in crore)

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|-------------------------------|-------------------------------|
| Contingent provision against standard assets | 95.85 | 35.78 |
| Provision for non-performing assets | 144.14 | 71.19 |
| Provision for contingencies | (1.35) | 6.76 |
| Loss on loans & advances written off | 19.25 | - |
| Less : Adjusted from opening provision for doubtful advances | 16.31 | 2.94 |
| Total | 241.58 | 113.73 |

Note No.37 - Other expenses

| Particulars | (₹ in crore) | |
|--|-------------------------------|-------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Rent | 6.74 | 5.42 |
| Repairs to building | 1.52 | 1.24 |
| Repairs to machinery - wind mill | 2.03 | 1.86 |
| Insurance | 1.20 | 0.42 |
| Rates and taxes | 3.30 | 3.65 |
| Payment to auditors (refer note (a) below) | 0.83 | 0.71 |
| Legal & professional charges | 9.40 | 5.61 |
| Consultancy expenses | 15.24 | 13.16 |
| Advertisement | 0.49 | 0.31 |
| Communication | 1.07 | 1.18 |
| Business development | 2.00 | 2.12 |
| Travelling and conveyance expenses | 4.68 | 3.90 |
| Printing & stationery | 0.50 | 0.49 |
| Fees & expenses to directors | 1.26 | 1.30 |
| Repair & maintenance - others | 1.74 | 2.28 |
| Bank charges | 2.57 | 2.68 |
| EDP expenses | 0.19 | 0.17 |
| Books & periodicals | 0.10 | 0.03 |
| Water & electricity expenses | 1.16 | 1.05 |
| Bed debts / advances written off | 1.17 | 15.99 |
| Impairment allowance for doubtful debts / advances | 4.56 | 3.20 |
| Security expenses | 0.64 | 0.49 |
| Property tax | 0.09 | 0.09 |
| Donation | 0.01 | - |
| Corporate social responsibilities expenses (CSR) | 5.81 | 1.52 |
| Application fee / tender fee | 2.34 | 1.44 |
| Miscellaneous expenses (refer note no (b) below) | 2.37 | 2.73 |
| Total | 73.01 | 73.04 |

a) Details in respect of payment to auditors

| Particulars | (₹ in crore) | |
|--------------------------------|-------------------------------|-------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| As auditor | | |
| Audit fee * | 0.50 | 0.53 |
| Tax audit fees | 0.04 | 0.04 |
| In other capacity | | |
| Other services (certification) | 0.27 | 0.12 |
| Reimbursement of expenses | 0.02 | 0.02 |
| Total | 0.83 | 0.71 |

b) Miscellaneous expenses include on AGM expenses, diwali expenses, annual day expenses, scheduling charges etc.

Note No.38 - Exceptional items

| Particulars | (₹ in crore) | |
|--|-------------------------------|-------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Profit/ (loss) on sale of fixed assets (net) | 0.02 | (0.02) |
| Total | 0.02 | (0.02) |

Note No.39 - Contingent liabilities and commitments

| Particulars | (₹ in crore) | |
|---|------------------|------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| 1. Contingent liabilities (to the extent not provided for) | | |
| a) Claims against the Group not acknowledged as debt: (Refer Note (i) below) | 217.19 | 201.03 |
| b) Income tax liability that may arise in respect of matters in appeal preferred by the department/ Group (Refer Note (ii)) | 328.55 | 256.56 |
| c) Customs duty liability that may arise in respect of matters in appeal (Refer Note (ii)) | 17.16 | 17.16 |
| 2. Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 81.49 | 91.94 |
| Loan financing | 1,495.92 | 1,732.36 |
| 3. Guarantees furnished to bank | 25.00 | 25.00 |

Notes

- i) Claims against the Group not acknowledged as debt include:
 - a) The Group had an arrangement with a supplier for purchase of power. The supplier claimed that the Group did not off take the offered surplus power and claimed a damage of ₹ 84.95 Crore (31 March 2017: ₹ 84.95 crore). The arbitrator concluded the arbitration in favour of the Group, however, the supplier has contested the award at High Court.
 - b) The Group had an arrangement with a supplier for purchase of power. However, due to the prevalent market situation, the Group was unable to find a buyer for power from the supplier for most of the period. The supplier raised a compensation bill of ₹ 43.28 Crore (31 March 2017: ₹ 43.28 crore) for non-supply of power. The matter is pending at Supreme Court. The Group has paid a deposit amounting to ₹ 20.48 crore which is subject to the outcome of the appeal before the Appellate Tribunal.
 - c) Pending resolution of the issues with a supplier, the Group has estimate an contingency liability of ₹ 84.52 crore (31 March 2017 ₹ 68.36 crore) towards his claims.
- ii) Disputed income tax/ custom duty pending before various forums/ authorities amount to ₹ 345.71 crore (31 March 2017: ₹ 273.72 crore). Many of these matters were adjudicated in favour of the Group but are disputed before higher forums/ authorities by the concerned departments. The Group has paid a deposit amounting to ₹ 6.45 crore against custom duty which is subject to the outcome of the appeal.
- iii) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 84.52 crore (31 March 2017: ₹ 68.36 crore), for which Group envisages possible reimbursement from the one of its suppliers in full.

Commitments

- a). Estimated amount of contracts remaining to be executed on capital account (property, plant & equipment and intangible assets) and not provided for is ₹ 81.49 crore (31 March 2017: ₹ 91.94 crore).

| Particulars | (₹ in crore) | |
|-------------------------------|---------------------|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| Property, plant and equipment | 81.35 | 91.70 |
| Intangible assets | 0.14 | 0.24 |

b) In respect of investments of ₹ 184.55 crore (31 March 2017: ₹ 165.65 crore) in other Companies, the Company has restrictions for their disposal as at 31 March 2018 as under:

| Name of the Company | Period of restrictions for disposal of investments as per related agreements | Carrying amount | |
|---------------------|--|---------------------|---------------------|
| | | As at 31.03.2018 | As at 31.03.2017 |
| Teesta Urja Limited | GOS shall consider the proposal of any shareholder to divest its equity share after the completion of two years from the Commercial Operation date of the project or earlier on mutual beneficial terms. | 184.55 | 165.65 |
| Total | | 184.55 | 165.65 |

Note No.40 - Earning per equity share

| Particulars | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
|--|----------------------------------|----------------------------------|
| Opening equity shares | 296,008,321 | 296,008,321 |
| Equity shares issued during the year | - | - |
| Closing equity shares | 296,008,321 | 296,008,321 |
| Weighted average number of equity shares used as denominator for basic earnings | 296,008,321 | 296,008,321 |
| Weighted average number of equity shares resulting from assumed exercise of employee stock options | 21,000 | 21,000 |
| Weighted average number of equity shares used as denominator for diluted earnings | 296,029,321 | 296,029,321 |
| Net profit after tax used as numerator (amount in ₹ crore) | 403.97 | 505.81 |
| Less: Minority interest | 48.62 | 91.09 |
| Net profit attributable to the owners of the parent company | 355.35 | 414.72 |
| Basic earnings per share (amount in ₹) | 12.00 | 14.01 |
| Diluted earnings per share (amount in ₹) | 12.00 | 14.01 |
| Face value per share (amount in ₹) | 10.00 | 10.00 |

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these Consolidated Financial Statements.

Note No.41 - Disclosure as per Ind AS 12 'Income taxes'

(a) Income tax expense

i) Income tax recognised in Statement of Profit and Loss

| Particulars | (₹ in crore) | |
|---|----------------------------------|----------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Current tax expense | | |
| Current year | 261.26 | 288.31 |
| Deferred tax expense | | |
| Origination and reversal of temporary differences | (41.56) | (22.27) |
| Total income tax expense | 219.70 | 266.04 |

ii) Income tax recognised in other comprehensive income

| Particulars | (₹ in crore) | |
|---|----------------------------------|----------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Remeasurement gains/(losses) on defined benefit plans | 0.21 | 0.24 |
| FVOCI to equity investments | - | 7.42 |
| Cash flow hedge reserve | (0.54) | 2.24 |
| Total income tax expense | (0.33) | 9.90 |

iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

| Particulars | (₹ in crore) | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| Profit before tax | 623.67 | 771.85 |
| Tax using the Group's domestic tax rate of 34.608% (31 March 2017 - 34.608%) | 215.84 | 267.12 |
| Tax effect of: | | |
| Non-deductible tax expenses/Tax-exempt income adjustments | 40.25 | 12.85 |
| Diminution in value of investment adjustments | 10.67 | 6.65 |
| Others | (5.50) | 1.69 |
| Current Tax Provision (a) | 261.26 | 288.31 |
| Deferred Tax liability on account of finance lease obligations, special reserve and other items | 53.22 | 39.04 |
| Deferred tax liability on account of finance lease obligations, provisions & contingency and other items | (94.78) | (61.31) |
| Deferred tax provision (b) | (41.56) | (22.27) |
| Tax Expenses recognised in Statement of Profit and Loss (a+b) | 219.70 | 266.04 |
| Effective Tax Rate | 35.23% | 34.47% |

(b) Tax losses carried forward

- The tax benefit of unutilised long term capital losses is available for use till 2018-19 of ₹ 5.80 crore (PY ₹ 5.75 crore) and till 2023-24 of ₹ 11.41 crore (PY ₹ 11.29 crore)
- The tax benefit on unabsorbed losses and unabsorbed depreciation is available for use till FY 2025-26 of ₹ 13.74 crore (PY ₹ Nil), till FY 2024-25 of ₹ 23.58 crore (PY ₹ 23.58 crore) and till FY 2023-24 of ₹ 4.20 crore (PY ₹ 4.20 crore).
- The tax benefit of unutilised tax credit is available for use till 2032-33 of ₹ 3.48 crore (PY ₹ Nil).

(c) Unrecognised deferred tax assets and liabilities

(i) Unrecognized deferred tax liabilities

There is no unrecognised deferred tax liabilities

(ii) Unrecognised deferred tax assets

- Deferred tax assets have not been recognized on provision for impairment in value of investment and decrease in fair value of investments through FVOCI to the extent there is no certainty of its realisation.

- ii) Deferred tax assets have not been recognised in respect of the tax losses incurred that is not likely to generate taxable income in the foreseeable future.

(d) **Dividend distribution tax on proposed dividend not recognised at the end of the reporting period**

Since year end, the directors have recommended the payment of final dividend amounting to ₹ 118.40 crore (31 March 2017: 88.80 crore). The dividend distribution tax on this proposed dividend amounting to ₹ 24.34 crore (31 March 2017: ₹ 18.06 crore) has not been recognised since this proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Note No.42 - Disclosure as per Ind AS 17 'Leases'

a) Operating leases

i. Leases as lessee

- a) The Group leasing arrangements are in respect of operating leases of premises for office and projects land. An amount of ₹ 7.16 crore (31 March 2017: ₹ 5.59 crore) towards lease payments in respect of premises for offices are included under 'Rent on projects lands' in Note 33 and 'Rent' in Note 37.
- b) The Group has classified the arrangement with one of its suppliers as lease based on the principles enunciated in Appendix C of Ind AS 17 and accounted for as operating lease in accordance with those principles. An amount of ₹ 184.97 crore (31 March 2017: ₹ 193.40 crore) towards lease payments in respect of the arrangement are included under Lease rental expenses on assets under operating lease' in Note 33-'Operating expenses'
- c) The future minimum lease payments (MLPs) under non-cancellable leases in respect of the operating leases are as follows:

(₹ in crore)

| Particulars | As at | As at |
|----------------------------|-----------------|-----------------|
| | 31.03.2018 | 31.03.2017 |
| Less than one year | 181.02 | 184.96 |
| Between one and five years | 640.40 | 655.38 |
| More than five years | 1,471.77 | 1,614.50 |
| Total | 2,293.19 | 2,454.84 |

ii. Leases as lessor

- a) The Group has classified the arrangement with one of its customers as lease based on the principles enunciated in Appendix C of Ind AS 17 and accounted for as operating lease in accordance with those principles. An amount of ₹ 184.97 crore (31 March 2017: ₹ 193.40 crore) towards lease receipts in respect of the arrangement are included under 'Lease rentals on asset under operating lease' in Note 30- Revenue from operations. The future minimum lease payments (MLPs) under non-cancellable leases in respect of the same are as follows:

(₹ in crore)

| Particulars | As at | As at |
|----------------------------|-----------------|-----------------|
| | 31.03.2018 | 31.03.2017 |
| Less than one year | 176.51 | 184.96 |
| Between one and five years | 621.60 | 655.38 |
| More than five years | 1,471.77 | 1,614.50 |
| Total | 2,269.88 | 2,454.84 |

b) Finance leases

i. Leases as lessee

- a) Leasehold land acquired by the Group are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognised as 'Finance lease obligations' at their present values. The leasehold land is amortised considering the significant accounting policies of the Group.
- b) The Group has classified the arrangement with one of its suppliers in the nature of lease based on the principles enunciated in Appendix C of Ind AS 17, 'Leases' and accounted for as finance lease in accordance with those principles.
- c) The future minimum lease payments (MLPs) under non-cancellable leases in respect of the same are as follows:

(₹ in crore)

| Particulars | As at 31.03.2018 | | As at 31.03.2017 | |
|---|------------------|----------------------|------------------|----------------------|
| | MLPs | Present value of MLP | MLPs | Present value of MLP |
| Less than one year | 133.49 | 40.30 | 144.72 | 37.76 |
| Between one and five years | 477.53 | 160.63 | 639.16 | 191.16 |
| More than five years | 1,769.96 | 488.25 | 1,825.21 | 491.64 |
| Total minimum lease payments | 2,380.98 | 689.18 | 2,609.09 | 720.56 |
| Less amounts representing unearned finance income | 1,691.80 | | 1,888.52 | |
| Present value of minimum lease payments | 689.18 | 689.18 | 720.56 | 720.56 |

ii. Leases as lessor

The Group has classified the arrangement with one of its customers in the nature of lease based on the principles enunciated in Appendix C of Ind AS 17, 'Leases' and accounted for as finance lease in accordance with those principles. The future minimum lease payments (MLPs) under non-cancellable leases in respect of the same are as follows:

(₹ in crore)

| Particulars | As at 31.03.2018 | | As at 31.03.2017 | |
|---|------------------|----------------------|------------------|----------------------|
| | MLPs | Present value of MLP | MLPs | Present value of MLP |
| Less than one year | 133.41 | 40.30 | 144.64 | 37.76 |
| Between one and five years | 477.20 | 160.63 | 638.83 | 191.16 |
| More than five years | 1,764.54 | 487.54 | 1,819.71 | 490.93 |
| Total minimum lease payments | 2,375.15 | 688.47 | 2,603.17 | 719.85 |
| Less amounts representing unearned finance income | 1,686.68 | | 1,883.32 | |
| Present value of minimum lease payments | 688.47 | 688.47 | 719.85 | 719.85 |

Note No.43 - Disclosure as per Ind AS 19 'Employee benefits'

(i) Defined contribution plans:

A. Provident fund

The Group pays fixed contribution to appropriate authorities. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. An amount of ₹ 1.63 crore (31 March 2017: ₹ 1.55 crore) for the year is recognised as expense on this account and charged to the Statement of Profit and Loss.

(ii) Defined benefit plans:

A. Gratuity-Funded

a) The Group has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 x last drawn basic salary) for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Net defined benefit (asset)/liability : | | |
| Non-current | 1.92 | 2.75 |
| Current | - | 0.02 |
| Total | 1.92 | 2.77 |

Movement in net defined benefit (asset)/liability

(₹ in crore)

| Particulars | Defined benefit obligation | | Fair value of plan assets | | Net defined benefit (asset)/liability | |
|--|----------------------------|---------------|---------------------------|---------------|---------------------------------------|---------------|
| | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Opening balance | 3.33 | 2.39 | 0.56 | 0.69 | 2.77 | 1.70 |
| Included in profit or loss: | | | | | | |
| Current service cost | 0.64 | 0.49 | - | - | 0.64 | 0.49 |
| Past service cost | 0.31 | - | - | - | 0.31 | - |
| Interest cost (income) | 0.25 | 0.20 | 0.04 | 0.06 | 0.21 | 0.14 |
| Total amount recognised in profit or loss | 1.20 | 0.69 | 0.04 | 0.06 | 1.16 | 0.63 |
| Included in OCI: | | | | | | |
| Demographic assumptions | - | 0.04 | - | - | - | 0.04 |
| Financial assumptions | 0.64 | 0.41 | 0.03 | (0.01) | 0.61 | 0.42 |
| Experience adjustment | (0.16) | (0.02) | - | - | (0.16) | (0.02) |
| Expenses for employee on deputation | 0.01 | - | - | - | 0.01 | - |
| Total amount recognised in other comprehensive income | 0.49 | 0.43 | 0.03 | (0.01) | 0.46 | 0.44 |
| Other | | | | | | |
| Contributions paid by the employer | - | - | 2.33 | - | (2.33) | - |
| Benefits paid | (0.25) | (0.18) | (0.11) | (0.18) | (0.14) | - |

| | | | | | | |
|-----------------|------|------|------|------|------|------|
| Closing balance | 4.77 | 3.33 | 2.85 | 0.56 | 1.92 | 2.77 |
|-----------------|------|------|------|------|------|------|

B. Post-Retirement Medical Benefits (PRMB)-Non-funded

The Group has Post-Retirement Medical Facility Benefits (PRMB), under which the eligible retired employees and their spouses are provided medical facilities and an out-patient subject to a ceiling fixed by the Group. The liability for the same is recognised annually on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the PRMF and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ in crore)

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|-------------|-------------|
| Net defined benefit (asset)/liability : | | |
| Non-current | 0.06 | 0.62 |
| Current | 0.78 | 0.03 |
| Total | 0.84 | 0.65 |

Movement in net defined benefit (asset)/liability

(₹ in crore)

| Particulars | Defined benefit obligation | |
|--|----------------------------|-------------|
| | 31-Mar-18 | 31-Mar-17 |
| Opening balance | 0.65 | 0.40 |
| Included in profit or loss: | | |
| Current service cost | 0.04 | 0.04 |
| Interest cost (income) | 0.04 | - |
| Total amount recognised in profit or loss | 0.08 | 0.04 |
| Included in OCI: | | |
| Financial assumptions | 0.11 | 0.09 |
| Experience adjustment | 0.04 | 0.15 |
| Total amount recognised in other comprehensive income | 0.15 | 0.24 |
| Contributions paid by the employer | | |
| Benefits paid | (0.04) | (0.03) |
| Closing balance | 0.84 | 0.65 |

C. Plan assets

Plan assets comprise the following

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---------------------|---------------------|
| Net defined benefit (asset)/liability : | | |
| Insurer Managed Funds | 97.54% | 87.75% |
| Current Bank Account | 2.46% | 12.25% |
| Total | 100% | 100% |

Actual return on plan assets is ₹ 0.07 crore (31 March 2017: ₹ 0.04 crore).

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|------------------------|------------------------|
| Discount rate | 7.71% | 7.54% |
| Expected return on plan assets- Gratuity | 7.71% | 7.54% |
| Salary escalation rate | 8.25% | 6.50%-7% |
| Retirement age | 60/62 | 60/62 |
| Withdrawal rate | 1-3% | 1-3% |
| In service mortality | IALM (2006-08) | IALM (2006-08) |

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. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in crore)

| Particulars | 31-Mar-2018 | | 31-Mar-2017 | |
|---|-------------|----------|-------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (0.50% movement) | (0.34) | 0.37 | (0.24) | 0.28 |
| Salary escalation rate (0.50% movement) | 0.31 | (0.29) | 0.22 | (0.20) |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

E. Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

a) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. Any deviations from the range are corrected by rebalancing the

portfolio. The Group intends to maintain the above investment mix in the continuing years.

b) Changes in discount rate

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets holdings.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods.

F. Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

| Particulars | Less than 1 year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
|---------------|---------------------|----------------------|----------------------|-----------------|-------|
| 31 March 2018 | 0.26 | 0.10 | 1.01 | 3.64 | 5.01 |
| 31 March 2017 | 0.19 | 0.08 | 0.33 | 2.98 | 3.58 |

G. Expected contributions to post-employment benefit plans for the year ending March 31, 2018 are ₹ 1.37 crore.

H. The weighted average duration of the defined benefit plan obligation at the end of the reporting period is as under:-

| Particulars | 31-Mar-2018 | 31-Mar-2017 |
|---|----------------|----------------|
| Gratuity | 16.38 to 23.68 | 15.88 to 17.63 |
| Post-retirement medical facility (PRMF) | 4.73 to 16.04 | 5.63 to 17.04 |

Note No.44 - Disclosure as per Ind AS 24 'Related Party Disclosures'

a) List of Related parties:

i) Associates:

Krishna Godavari Power Utilities Limited
R.S. India wind energy Private Limited
Varam Bio Energy Private Limited
R.S. India Global Energy Limited

ii) Key Managerial Personnel (KMP):

A) Whole time directors

Shri Deepak Amitabh Chairman and Managing Director
Shri Arun Kumar Director (Finance) & CFO (Ceased to be director w.e.f. 14th Dec, 2017)
Shri Ajit Kumar Director (Commercial & Operations)
Dr. Rajib Kumar Mishra Director (Marketing & Business Development)
Dr. Ashok Haldia Managing Director and CEO
Dr. Pawan Singh Whole time Director and CFO
Mr. Naveen Kumar Whole time Director

B) Non-whole time directors

Shri Anil Razdan (ceased w.e.f. 9th January 2018)
Shri Dharendra Swarup (ceased w.e.f. 9th January 2018)
Shri Dipak Chatterjee (ceased w.e.f. 15th April 2017)
Shri H.L. Bajaj (ceased w.e.f. 9th January 2018)

Shri Krishna Singh Nagnyal / (w.e.f 29th April 2017),
 Shri Hemant Bhargava (ceased w.e.f. 20th October 2016)
 (Nominee director of Life Insurance Corporation of India)

Shri S Balachandran (ceased w.e.f. 31st March 2016)

Shri Ved Kumar Jain (ceased w.e.f. 7th December 2016)

Ms. Sushama Nath (w.e.f. 20th December 2017)

Ms. Bharti Prasad (w.e.f. 20th December 2017)

Shri Rakesh Kacker (w.e.f. 23rd March 2017)

Shri Jayant Purushottam Gokhale (w.e.f. 16th March 2017)

Shri Harun Rasid Khan (w.e.f. 28th December 2017)

Shri S K Tuteja (ceased w.e.f. 26th November 2016)

Shri Surinder Singh Kohli (ceased w.e.f. 12th December 2016)

Shri C. Gangopadhyay (w.e.f. 28th December 2017)

Mrs. Pravin Tripathi (w.e.f. 13th May 2016)

Shri R N Nayak (w.e.f. 13th May 2016)

Shri K. Biswal (ceased w.e.f. 19th December 2017)

iii) Entities having significance influence

NTPC Limited.

Power Grid Corporation of India Limited.

Power Finance Corporation Limited

NHPC Limited

iv) Others:

PTC Foundation

PTC India Gratuity Trust

b) Transactions with the related parties are as follows:

(₹ in crore)

| Name of Related Party | Influence | Nature of Transaction | Year ending March 31, 2018 | Year ending March 31, 2017 |
|--|---|--|----------------------------|----------------------------|
| NTPC Limited. | | Director sitting fees to nominee directors | 0.05 | 0.06 |
| | | Director sitting fees to nominee directors | 0.02 | 0.01 |
| Power Grid Corporation of India Limited. | Entities having significance influence on the company | Services received (wheeling charges) | 0.18 | - |
| | | Director sitting fees to nominee directors | 0.03 | 0.06 |
| Power Finance Corporation Limited | | Director sitting fees to nominee directors | 0.02 | 0.03 |
| NHPC Limited | | Electricity traded through IEX | - | 57.75 |
| | | Services charges (IEX) (excluding service tax) | - | 0.72 |
| Shri Anil Razdan | Non-executive independent director | Director sitting fee | 0.08 | 0.11 |
| Shri Dharendra Swarup | | | 0.13 | 0.19 |
| Shri Dipak Chatterjee | | | - | 0.10 |
| Shri H.L. Bajaj | | | 0.06 | 0.11 |
| Life Insurance Corporation of India for its nominee director Shri Hemant Bhargava / Shri Krishna Singh Nagnyal | | | 0.01 | 0.02 |
| Shri Jayant Purushottam Gokhale | | | 0.07 | - |
| Shri Rakesh Kacker | | | 0.08 | - |
| Ms. Sushama Nath | | | 0.02 | - |
| Ms. Bharti Prasad | | | 0.02 | - |
| Shri Ved Kumar Jain | | | - | 0.23 |
| Smt. Pravin Tripathi | | | 0.05 | 0.17 |
| Shri S K Tuteja | | | - | 0.09 |
| Shri Surinder Singh Kohli | | | - | 0.09 |
| Shri R N Nayak | | | 0.03 | 0.03 |
| PTC Foundation | | | Controlled Trust | Contribution for CSR |
| | Recovery of cost of employees on deputation in Controlled trust | 0.25 | | - |
| | Rental income (including service tax/GST) | 0.03 | | - |

(₹ in crore)

| Compensation to Key management personnel | Influence | Year ending March 31, 2018 | Year ending March 31, 2017 | |
|---|---------------------|-------------------------------|-------------------------------|-------------|
| Shri Deepak Amitabh | Whole time director | 1.51 | 1.20 | |
| - Short term employee benefits | | 1.32 | 1.12 | |
| - Post employment benefits | | 0.11 | 0.01 | |
| - Other long term benefits | | 0.08 | 0.07 | |
| Dr. Rajib Kumar Mishra | | 1.10 | 0.97 | |
| - Short term employee benefits | | 1.03 | 0.90 | |
| - Post employment benefits | | 0.03 | 0.03 | |
| - Other long term benefits | | 0.04 | 0.04 | |
| Shri Ajit Kumar | | 1.10 | 0.94 | |
| - Short term employee benefits | | 1.05 | 0.89 | |
| - Post employment benefits | | 0.02 | 0.02 | |
| - Other long term benefits | | 0.03 | 0.03 | |
| Shri Arun Kumar | | 0.80 | 0.97 | |
| - Short term employee benefits | | 0.80 | 0.88 | |
| - Post employment benefits | | - | 0.01 | |
| - Other long term benefits | | - | 0.08 | |
| Dr. Ashok Haldia | | 0.99 | 0.98 | |
| - Short term employee benefits | | 0.94 | 0.97 | |
| - Post employment benefits | | 0.04 | 0.01 | |
| - Other long term benefits | | 0.01 | 0.00 | |
| Dr. Pawan Singh | | 0.81 | 0.81 | |
| - Short term employee benefits | | 0.76 | 0.76 | |
| - Post employment benefits | | 0.02 | 0.02 | |
| - Other long term benefits | | 0.03 | 0.03 | |
| Mr. Naveen Kumar | | 0.33 | - | |
| - Short term employee benefits | | 0.31 | - | |
| - Post employment benefits | | 0.01 | - | |
| - Other long term benefits | | 0.01 | - | |
| Total Compensation to Key management personnel | | | 6.64 | 5.87 |

Equity Investment as at Balance Sheet date without provision for impairment loss

(₹ in crore)

| Name of the company | Relationship | As at 31.03.2018 | As at 31.03.2017 |
|--|--------------|------------------|------------------|
| Krishna Godavari Power Utilities Limited | Associate | 37.55 | 37.55 |
| R.S. India Wind Energy Private Limited | Associate | 47.37 | 47.37 |
| Varam Bio Energy Private Limited | Associate | 4.39 | 4.39 |
| RS India Global Energy Limited | Associate | 22.89 | 22.89 |

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

(₹ in crore)

| Name of the company | Relationship | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------------|--------------|------------------|------------------|
| Varam Bio Energy Private Limited | Associate | 4.29 | 4.29 |

Provision for impairment loss

(₹ in crore)

| Name of the company | Relationship | As at 31.03.2018 | As at 31.03.2017 |
|--|--------------|------------------|------------------|
| Krishna Godavari Power Utilities Limited (equity shares) | Associate | 37.55 | 37.55 |
| R.S. India Wind Energy Private Limited (equity shares) | Associate | 47.37 | 47.37 |
| Varam Bio Energy Private Limited (equity shares) | Associate | 4.39 | 4.39 |
| RS India Global Energy Limited (equity shares) | Associate | 22.89 | 22.89 |
| Varam Bio Energy Private Limited (debentures) | Associate | 4.29 | 4.29 |

Balance Outstanding

(₹ in crore)

| Name of the company | Relationship | Nature | As at 31.03.2018 | As at 31.03.2017 |
|---------------------|------------------|-----------------|------------------|------------------|
| PTC Foundation | Controlled Trust | Balance payable | - | 0.24 |

Terms and conditions of transactions with the related parties

- (a) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.
- (b) Outstanding balances of related parties at the year-end, are unsecured and interest free and settlement occurs through banking transaction. For the year ended 31 March 2018, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note No.45 - Disclosure as per Ind AS 36 'Impairment of Assets'

As required by Ind AS 36, an assessment of impairment of assets was carried out and based on such assessment, the Group has accounted impairment losses as below:

The Group has invested ₹ 37.55 crore as 49% of equity in its associate "Krishna Godavari Power Utilities Limited (KGPUL)" for 60 MW Thermal imported coal based project. The project was 90% completed and further progress on the project was stopped due to paucity of funds. One of the lenders has carried out the valuation of assets of the project and based on the valuation report, the Group has recognized an impairment loss of ₹ 37.55 crore in respect of such investment and disclosed as an exceptional item in the Statement of Profit and Loss for the year ended 31 March, 2016.

The Group had contributed equity of ₹ 23.40 crore constituting 48% in R.S. India Global Energy Limited (₹ 21.60 crore in FY 2008-09 and ₹ 1.80 crore in FY 2009-10). The Group came to know that RSIGEL and its promoters had made several misrepresentations and induced the Group to invest money as equity in RSIGEL (even project has also not come up). On prudent basis, the Group had made 100% provision for diminution in value of investment in FY 2014-15 without considering the underlying value of investment. The Group is taking suitable steps under civil and criminal law to safeguard its investments and recover the same including enforcing its rights as shareholder.

In the year 2014-15, based on an independent investigation into the affairs of R. S. India Wind Energy Private Limited (Associate), the Group had concluded that in earlier years, the Associate and its promoters had misrepresented various facts to it and induced it to make investments aggregating ₹ 61.12 crore in the Associate. The Group had filed a criminal complaint against the Associate and its promoters and is taking suitable steps both under civil and criminal law to safeguard its investments and to recover the same. Pending outcome thereof, the Group has fully provided for the diminution in value of investment held in this Associate.

Note No 46 - Fair Value Measurements

(a) Financial instruments by category

| Particulars | As at 31 March 2018 | | | As at 31 March 2017 | | |
|--|---------------------|---------------|------------------|---------------------|---------------|------------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Financial assets | | | | | | |
| Investments | - | 240.80 | 29.43 | - | 401.46 | - |
| - Equity instruments / security receipts | - | - | - | - | - | - |
| - Mutual funds | 129.72 | - | - | 572.19 | - | - |
| Derivative assets | 25.01 | - | - | 27.11 | - | - |
| Trade Receivables | - | - | 3,348.99 | - | - | 3,287.31 |
| Cash and bank balances | - | - | 440.94 | - | - | 301.26 |
| Loans | - | - | 11,661.09 | - | - | 9,902.90 |
| Finance lease receivables | - | - | 688.47 | - | - | 719.85 |
| Other financial assets | - | - | 852.28 | - | - | 512.32 |
| Total | 154.73 | 240.80 | 17,021.20 | 599.30 | 401.46 | 14,723.64 |
| Financial liabilities | | | | | | |
| Borrowings | - | - | 11,348.02 | - | - | 9,388.33 |
| Trade payables | - | - | 2,237.96 | - | - | 2,737.30 |
| Other financial liabilities | - | - | 1,198.86 | - | - | 1,100.82 |
| Total | - | - | 14,784.84 | - | - | 13,226.45 |

Details of assets pledged as collateral/security

The carrying amount of financial assets and property, plant and equipment as at 31st March, 2018 and 2017 that the company has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

| Particulars | (₹ in crore) | |
|--|------------------|------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| Financial Assets | | |
| Trade receivable | 3,360.85 | 3,294.61 |
| Cash and Cash Equivalents | 0.10 | 11.35 |
| GBI Claim Receivable from Indian Renewable Energy Development Agency (IREDA) | 5.45 | 3.50 |
| Fixed deposits with banks | 42.29 | 70.49 |
| Loans | 12,802.26 | 10,592.02 |
| Property, Plant and Equipments (Gross Carrying value) | 2,132.98 | 2,133.40 |

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

| Financial assets and liabilities measured at fair value- recurring fair value measurement | (₹ in crore) | | | |
|---|--------------|---------------|---------------|---------------|
| | Level 1 | Level 2 | Level 3 | Total |
| As at 31 March 2018 | | | | |
| Financial assets: | | | | |
| Investments in unquoted equity instruments | - | - | 240.80 | 240.80 |
| Derivative instruments | - | 25.01 | - | 25.01 |
| Investments in mutual funds | - | 129.72 | - | 129.72 |
| Total | - | 154.73 | 240.80 | 395.53 |

| Financial assets and liabilities measured at fair value- recurring fair value measurement | (₹ in crore) | | | |
|---|--------------|---------------|---------------|-----------------|
| | Level 1 | Level 2 | Level 3 | Total |
| As at 31 March 2017 | | | | |
| Financial assets: | | | | |
| Investments in unquoted equity instruments | - | - | 401.46 | 401.46 |
| Investments in optionally convertible debentures | - | - | - | - |
| Derivative instruments | - | 27.11 | - | 27.11 |
| Investments in mutual funds | - | 572.19 | - | 572.19 |
| Total | - | 599.30 | 401.46 | 1,000.76 |

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes investments in quoted equity instruments. Quoted equity instruments are valued using quoted prices at stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This level includes mutual funds which are valued using the closing NAV and derivative instruments.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity instruments included in level 3.

There have been no transfers in either direction for the years ended 31 March 2018 and 31 March 2017.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices
- the fair value of the remaining financial instruments is determined using discounted cash flow/net adjusted asset value/book value analysis/sale price observable in the market.
- The Group's foreign currency and interest rate derivative contracts are not traded in active markets. Fair valuation of such instruments are provided by the dealer who are recognised banks and use widely acceptable techniques. The effects of non-observable inputs are not significant for foreign currency forward contracts.
- The Group performs valuations in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

-Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Fair value of the Group's financial assets and financial liability that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

(₹ in crore)

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|------------------------------|----------------------|------------|----------------------|------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial Liabilities | | | | |
| Infrastructure Bonds | 149.61 | 153.81 | 169.14 | 210.23 |
| Debentures | 435.61 | 434.46 | 449.78 | 423.72 |

(₹ in crore)

| Particulars | Fair value hierarchy | | | |
|--|----------------------|---------|---------|--------|
| | As at March 31, 2018 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial Liabilities at amortised cost | | | | |
| Infrastructure Bonds | - | - | 153.81 | 153.81 |
| Debentures | - | - | 434.46 | 434.46 |

(₹ in crore)

| Particulars | Fair value hierarchy | | | |
|--|----------------------|---------|---------|--------|
| | As at March 31, 2017 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial Liabilities at amortised cost | | | | |
| Infrastructure Bonds | - | - | 210.23 | 210.23 |
| Debentures | - | - | 423.72 | 423.72 |

C) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial liabilities and other financial assets are considered to be the same as their fair values, due to their short-term nature.

The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation.

The fair values for lease obligation were calculated based on cash flows discounted using a current discount rate. The carrying amount of finance lease obligations approximate its fair value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note No.47 . Financial Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|-------------------------------------|--|---|--|
| Credit Risk | Loan receivables, Cash and bank balances, trade receivables, derivative financial instruments, financial assets measured at amortised cost | Ageing analysis Credit ratings | Investment policy for bank deposits, credit limits and letters of credit/ bank guarantee. Credit risk analysis, diversification of customers/asset base, credit limits and collateral. |
| Liquidity risk | Borrowings & Other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities. Monitoring of receivables and exposure limit |
| Market risk - foreign currency risk | - Future commercial transactions - Recognised financial assets and liabilities not denominated in Indian rupee (₹) | Cash flow forecasting Sensitivity analysis | Foreign currency risk management policy. Hedging mechanism/ derivative contracts. |
| Market risk - interest rate | Non-current borrowings at variable rates | Sensitivity analysis | Interest rate swaps |
| Market risk - Security price risk | Investments in equity securities | Sensitivity analysis. IRR expectation | Invested as per strategic decisions made by the Board. Nominee in the board of investee company. Portfolio diversification, exposure limits |
| Market risk - net asset value | Investments in mutual funds | Sensitivity analysis | Investment limits, performance ratings etc |

Risk management framework

The Group's activities make risk an integral and unavoidable component of business. The Group manages risks in a proactive and effective manner and has taken adequate measures to address such concerns by developing adequate systems and practices.

In order to institutionalize the risk management process in the Group, there is a Risk Management Group (RMG) and an elaborate Risk Management Policy (RMP) has been formulated.

Governance Framework

The Governance framework of the Risk Management process is constituted by three layers of authority:

- i) Board of Directors and Audit Committee
- ii) Executive Management Team
- iii) Functional Head(s)

The process of escalation to and monitoring of risks by the three layers in the Governance framework is built around the following key facilitating roles. A cross functional team approach has been followed to establish a workable and business focused risk management process in the PTC Group.

- i) Chief Risk Officer (reporting to Audit Committee)
- ii) Risk Owners (typically Vice President level functionaries reporting to Functional Heads)
- iii) Risk Monitors

Roles and Responsibilities

Board and Audit Committee: The Board, on the recommendation of Audit Committee, approves the risk management policy framework and process and takes various decisions related to risk management policy and process.

Chief Risk Officer (CRO): The CRO provides inputs and insights in the establishment, monitoring and structuring risk management process and further monitor its compliance in accordance with relevant provisions of the policy. CRO coordinates between the Board and Executive Management Team to establish an advance / proactive risk reporting system, based on ethical principles, so that risks are understood in a simple and transparent manner.

Executive Management Team: The CEO, Whole Time Directors and other Functional heads of respective Business Units / Functions constitute the Executive Management Team. By virtue of their roles, they are the best equipped to have knowledge and understanding of their respective business functions. Hence, they constitute the first layer of risk review and escalation by risk owners.

Risk Owners: Risk Owners have been delegated the ownership of risks. The Risk Owner is typically an officer of a sufficiently experienced level like Vice President / Sr. Vice President. The risk owner's responsibilities are guided in accordance with the relevant sections of the Risk Management Policy.

Risk Management Group: Members of the Risk Management Group, supporting the CRO, monitor effective implementation and compliance of the risk management policy. They coordinate among various managerial levels of PTC and the Group Companies to establish processes and ensure smooth and timely flow of information.

Risk Monitors: Risk monitors in each Business Unit constitute a cross functional team that works closely to engage in the deployment of an active risk management process that permeates the group. A Risk Monitor a) takes up new risks for discussion b) helps evolve risk responses and c) works as an extended arm of Risk Management Group in the unit / function in managing and reporting risks.

The RMG meets every quarter or as needed. Risks are regularly monitored through reporting of key performance indicators and tools like Risk Matrix at transaction level. Outcomes/exceptions and aggregate level reports are submitted for information of the Board of Directors.

Group on Common Exposures: Constituted for consultation of senior management of PTC and group companies on exposures to common customers.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, investment in debt securities, loans & advances (including loan financing), cash & cash equivalents and deposits with banks and financial institutions.

Credit risk management policy provides for identification and assessment of credit risk, assessment and management of portfolio credit risk, and risk monitoring and control. The issues relating to the establishment of exposure limits for various categories, for example, based on geographical regions, fuel specific, industry and rating are also covered. The policy also deals with rating models aiming at high quality, consistency and uniformity in the appraisal of proposals.

The Group has Risk Governance System. To determine whether operations are within the risk appetite of the organisation at any given time, the following parameters are reported to the appropriate layer of the Risk Governance system, and in particular to the Board of Directors and Audit Committee periodically:-

For Marketing – a) Short Term: List of all open positions and periods involved in each such position; this is reported on a periodic basis to ensure timely corrective action in case of exigency.

b) Long-Term: List of all agreements where take-or-pay liability was taken by PTC and periods involved in each such position; this is reported on at least a periodic basis to ensure timely corrective action in case of exigency.

Trade receivables

The company mainly sells electricity to bulk customers comprising mainly state power utilities owned by State Governments. The company has no experience of significant impairment losses in respect of trade receivables in the past years.

For purchase of power through Power Exchange(s), the company either takes payments from the clients on advance basis or ensures security mechanism in the form of Bank Guarantee/ Letter of Credits.

Investments in marketable securities

The Group invests in marketable securities to churn its short term working capital funds.

The Board of directors has established an investment policy by taking into account liquidity risk as well as credit risk. The investment policy prescribes guidelines for investible funds on fulfillment of certain conditions i.e investment in AMC who invest as per SEBI Guidelines, limit of investment in single AMC, performance rating etc. The Group's treasury department operates in line with such policy. The treasury department actively monitors the return rate and maturity period of the investments. The Group has not experienced any significant impairment losses in respect of any of the investments.

Loans & advances

The Group has given open access advances and security deposits. The open access advances are paid on account of state owned power utilities, hence the risk is insignificant. Security deposits are made mostly on back to back basis.

The PTC India Financial Services Limited is not exposed to any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. Based on historical information about customer default rates, management considers the credit quality of its receivables that are not past due or impaired to be good.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 420.98 crore (31 March 2017: ₹ 294.26 crore). The cash and cash equivalents are held with banks with high credit ratings.

Deposits with banks and financial institutions

The Group held deposits with banks and financial institutions of ₹ 13.71 crore (31 March 2017: ₹ NIL). In order to manage the risk, the Group makes these deposit with high credit rating as per investment policy of the Group.

i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|--|---------------------|---------------------|
| Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL) | | |
| Non-current investments | 270.23 | 401.46 |
| Non-current loans | 11,660.42 | 9,702.64 |
| Current investments | 129.72 | 572.19 |
| Cash and cash equivalents | 420.98 | 294.26 |
| Other bank balances | 19.96 | 7.00 |
| Current loans | 0.67 | 200.26 |
| Other current financial assets | 852.28 | 512.32 |
| Other non-current financial assets | 25.01 | 27.11 |
| Total | 13,379.27 | 11,717.24 |
| Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL) | | |
| Trade receivables | 3,348.99 | 3,287.31 |
| Other non-current financial assets | 688.47 | 719.85 |

by the RBI Prudential Norms.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

| Ageing | (₹ in crore) | | | | | | Total |
|------------------------------------|--------------------|---------------------|----------------------|----------------------------|------------------------------------|----------------------------|----------|
| | 0-30 days past due | 31-90 days past due | 91-180 days past due | 180 days-365 days past due | More than 1 year less than 3 years | More than 3 years past due | |
| Gross carrying amount as 31.3.2018 | 1,691.71 | 543.73 | 330.74 | 355.82 | 154.35 | 284.50 | 3,360.85 |
| Gross carrying amount as 31.3.2017 | 1,335.70 | 568.97 | 460.41 | 205.46 | 503.85 | 220.22 | 3,294.61 |

(iv) Reconciliation of impairment loss provisions

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

| Particulars | (₹ in crore) | | | | | | Total |
|------------------------------------|-----------------------------|--|---------------|-------------------|-------------|--|---------------|
| | Allowance for credit losses | Contingent provision against standard assets | Investments | Trade receivables | Advances | | |
| Balance as at 31 March, 2017 | 193.75 | 96.11 | 116.49 | 7.30 | 0.94 | | 414.59 |
| Impairment loss recognised | 132.48 | 101.85 | - | 4.56 | - | | 238.89 |
| Amounts written off/ transferred | (6.00) | (6.00) | - | - | - | | (12.00) |
| Balance as at 31 March 2018 | 320.23 | 191.96 | 116.49 | 11.86 | 0.94 | | 641.48 |

| Total | 4,037.46 | 4,007.16 |
|-------|----------|----------|
|-------|----------|----------|

For loan financing of ₹ 12548.05 crore (March 31, 2017, ₹ 10469.78 crore), the group holds collateral of hypothecation of assets and/or mortgage of property, trust and retention account, bank guarantee, company guarantee or personal guarantee, assignment of receivables or rights, pledge of shares, undertaking to create a security.

(ii) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, loss allowance for impairment has been recognised as disclosed later in this note under "Reconciliation of impairment loss provisions".

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Group has customers (State government utilities) with sufficient capacity to meet the obligations and therefore the risk of default is negligible or low. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. However, the management has made provision for expected impairment loss for the parties identified on case to case basis.

(c) Loan financing

In case of loan financing, impairment amount calculated as per expected credit loss model is lower than the amount of provision required on non-performing/stressed assets as per the RBI prudential norms. Keeping in view the regulatory requirements and prudence approach, the Group has continued with the provision as required

Based on historic default rates, the Group believes that, apart from the above, no impairment allowance is necessary in respect of any other assets.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves and marketable securities, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group's treasury department is responsible for managing the short term and long term liquidity requirements of the Group. Short term liquidity situation is reviewed daily by Treasury. Management of the Group monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps. The Board of directors has established an investment policy by taking into account liquidity risk as well as credit risk. The Group's treasury department operates in line with such policy. Long term liquidity position is reviewed by the Board of Directors and appropriate decisions are taken according to the situation.

Commercial department monitor the Group's net liquidity position by monitoring the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses and payments to trade payables including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

| Particulars | ₹ in crore) | |
|---|---------------------|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| Floating-rate borrowings | | |
| Cash credit | 615.16 | 474.82 |
| Short term loans | 642.18 | 700.00 |
| Short term loans interchangeable with non-fund based limits | 455.00 | 400.00 |
| Long Term Loans | 1,257.60 | 1,818.89 |
| Total | 2,969.94 | 3,393.71 |

(ii) Maturities of financial liabilities

The following are the contractual maturities of financial liabilities, based on contractual cash flows:

31-Mar-2018

(₹ in crore)

| Contractual maturities of financial liabilities | Contractual cash flows | | | | |
|---|------------------------|----------|----------|-------------------|-----------|
| | Less than 1 year | 1-3 year | 3-5 year | More than 5 years | Total |
| Financial liabilities | | | | | |
| Borrowings | 4,615.02 | 1,888.94 | 1,909.15 | 3,258.01 | 11,671.12 |
| Finance lease obligations | 40.30 | 80.45 | 80.19 | 488.24 | 689.18 |
| Other financial liabilities | 2,403.14 | 21.40 | - | - | 2,424.54 |

31 March 2017

(₹ in crore)

| Contractual maturities of financial liabilities | Contractual cash flows | | | | |
|---|------------------------|----------|----------|-------------------|----------|
| | Less than 1 year | 1-3 year | 3-5 year | More than 5 years | Total |
| Financial liabilities | | | | | |
| Borrowings | 3,413.69 | 1,673.10 | 1,441.64 | 2,749.81 | 9,278.24 |
| Finance lease obligations | 37.76 | 75.98 | 76.59 | 530.23 | 720.56 |
| Trade and other payables | 3,227.65 | - | - | - | 3,227.65 |

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of directors is responsible for setting up of policies and procedures to manage market risks of the Group. At present, the Group has a Forex Risk Management Policy for hedging of foreign currency risk.

Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The Group is exposed to foreign exchange risk arising from foreign currency transactions. The policy on foreign exchange risk management covers the management of foreign exchange risk related to existing and future foreign currency loans or any other foreign exchange risks derived from borrowing and lending. The objective of the policy is to serve as a guideline for transactions to be undertaken for hedging of foreign exchange related risks. It also provides guiding parameters within which the Asset Liability Management Committee can take decisions for managing the above mentioned risks. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. The Group as per its overall strategy uses derivative contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings. The Group does not use derivative contracts for speculative purposes.

The currency profile of financial assets as at March 31, 2018 and March 31, 2017 are as below:

31 March 2018

| Particulars | (₹ in crore) | |
|-----------------------------|---------------------|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| | USD | |
| Financial assets | | |
| Foreign currency loan | 427.30 | 491.31 |
| Trade and other receivables | 218.65 | 160.80 |

Sensitivity analysis

A strengthening of the Indian Rupee, is indicated below, against the USD at 31 March, 2018 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis is performed on the same basis for previous year as indicated below.

a) Trade receivables

| Effect in ₹ in crore | Profit or loss | | Equity (net of tax) | |
|-------------------------|----------------|-----------|---------------------|-----------|
| | Strengthening | Weakening | Strengthening | Weakening |
| 5% movement in USD | | | | |
| 31-Mar-18 | 2.73 | (2.73) | 1.79 | (1.79) |
| 31-Mar-17 | 2.01 | (2.01) | 1.31 | (1.31) |

b) Other-foreign currency denominated financial instruments

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | (₹ in crore) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| USD sensitivity* | | |
| INR/USD- increase by 424 bp (31 March 2018 400 bp) | 11.91 | 14.30 |
| INR/USD- decrease by 424 bp (31 March 2018 400 bp) | (11.91) | (14.30) |

* Holding all other variables constant

Liabilities

Interest rate risk

The Group is exposed to interest rate risk arising mainly on long term loans and borrowings, financial lease obligations and financial lease receivables. The Group is exposed to interest rate risk because the cash flows will fluctuate with changes in interest rates. The policy of the Group is to minimise interest rate cash flow risk exposures. As at March 31, 2018, the Group is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

| Particulars | (₹ in crore) | |
|---------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Variable rate borrowing | 9,323.69 | 6,778.37 |
| Finance lease obligations | 689.18 | 720.56 |
| Fixed rate borrowing | 2,339.85 | 2,499.87 |
| Total borrowings | 12,352.72 | 9,998.80 |

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates:-

| Particulars | (₹ in crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Interest sensitivity* | | |
| Interest rates - increase by 100 basis points (31 March 2018 100 bps) | (67.86) | (58.47) |
| Interest rates - decrease by 100 basis points (31 March 2018 100 bps) | 67.86 | 58.47 |

* Holding all other variables constant

In financial lease obligation, the company's risk is minimal since finance lease transactions are almost on back to back basis.

Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the loans:-

| Particulars | (₹ in crore) | |
|---------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Variable rate loans | 10,741.27 | 8,536.99 |
| Finance lease receivables | 688.47 | 719.85 |
| Fixed rate loans | 2,004.80 | 2,055.03 |
| Total loans | 13,434.54 | 11,311.87 |

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates:-

| Particulars | (₹ in crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Interest sensitivity* | | |
| Interest rates - increase by 100 basis points (31 March 2018 100 bps) | 108.07 | 85.40 |
| Interest rates - decrease by 100 basis points (31 March 2018 100 bps) | (108.07) | (85.40) |

* Holding all other variables constant

Cash flow hedge

The Group has a derivative contract which is entered into as an economic hedge of the financial risks of the Company. This contract meets the hedge accounting criteria as per Ind AS 109 and has been accounted as cash flow hedge.

Changes in fair value of foreign currency derivative contract, to the extent determined to be an effective is recognised in other comprehensive income and the ineffective portion of the fair value change is recognised in income statement. Accordingly, the fair value change in derivative instrument of (net loss) ₹ 4.62 crore (net of tax) [Previous Year: ₹ 5.93 crore (net of tax)] was recognised in other comprehensive income which has been netted off from the net gain on account of reinstatement of underlying instrument of ₹ 5.69 crore (net of tax) [Previous Year: ₹ 1.70 crore (net of tax)].

Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Note No.48 - Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value and ensure the ability to continue as a going concern.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, raise debts or issue new shares. The Group monitors Gearing ratio, which is total net debt divided by total equity. The objectives for managing capital are being achieved by way of maintaining an optimal gearing ratio as given in below table.

Gearing Ratio

| Particulars | (₹ in crore) | |
|---------------------------------|----------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Debt | 12,352.72 | 9,998.80 |
| Cash and bank balances | (440.94) | (301.26) |
| Net debt | 11,911.78 | 9,697.54 |
| Total equity | 3,952.43 | 3,855.11 |
| Net debt to equity ratio | 3.01 | 2.52 |

Note No.49 - Corporate social responsibilities expenses (CSR)

The Group incurs CSR expenses in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

| Particulars | (₹ in crore) | |
|---|-------------------------------|-------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| A. Amount required to be spent during the year | 29.93 | 21.13 |
| B. Amount spent during the year on- | | |
| (i) Construction/ acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 5.81 | 1.52 |
| Total | 5.81 | 1.52 |
| Balance amount | 24.12 | 19.61 |

Amount spent during the year ended 31 March 2018:

| Particulars | (₹ in crore) | | |
|---|--------------|------------------------|-------|
| | In cash | Yet to be paid in cash | Total |
| (i) Construction/acquisition of any asset | - | - | - |
| (ii) On purposes other than (i) above | 5.81 | - | 5.81 |

Amount spent during the year ended 31 March 2017:

| Particulars | (₹ in crore) | | |
|---|--------------|------------------------|-------|
| | In cash | Yet to be paid in cash | Total |
| (i) Construction/acquisition of any asset | - | - | - |
| (ii) On purposes other than (i) above | 0.97 | 0.56 | 1.52 |

Break-up of the CSR expenses under major heads is as under:

| Particulars | (₹ in crore) | |
|--|-------------------------------|-------------------------------|
| | For the year ended 31.03.2018 | For the year ended 31.03.2017 |
| 1. Contribution to controlled trust for the purpose of CSR | 5.08 | 0.34 |
| 2. Sanitation | - | 0.52 |
| 3. Education and skill development & gender equality | 0.72 | 0.58 |
| 4. Other CSR activities (Execution of projects) | 0.01 | 0.08 |
| Total | 5.81 | 1.52 |

Note No.50- Disclosure as per Ind AS 108 'Operating segments'

A. General Information

The Group has two reportable segments, as described below, which are the Group's strategic businesses. The strategic businesses offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business, the Chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Power: it includes trading & generation of power.

Investment: It includes investing in equity or extending debt to power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

B. Information about reportable segments and reconciliations to amounts reflected in the financial statements:

(₹ in crore)

| Particulars | Power | | Investment | | Total | |
|---|------------------|------------------|-----------------|-----------------|------------------|------------------|
| | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Segment revenue | | | | | | |
| Revenue from operation | 18,470.75 | 14,123.53 | 1,169.98 | 1,187.02 | 19,640.73 | 15,310.55 |
| Other income | 117.79 | 164.20 | 0.71 | 1.18 | 118.50 | 165.38 |
| | 18,588.54 | 14,287.73 | 1,170.69 | 1,188.20 | 19,759.23 | 15,475.93 |
| Unallocated corporate interest and other income | - | - | - | - | 27.37 | 37.54 |
| Total | 18,588.54 | 14,287.73 | 1,170.69 | 1,188.20 | 19,786.60 | 15,513.47 |

| | | | | | | |
|--|--------|--------|--------|--------|---------------|---------------|
| Segment result | 406.78 | 351.23 | 215.42 | 403.72 | 622.20 | 754.95 |
| Unallocated corporate interest and other income | - | - | - | - | 27.37 | 37.54 |
| Unallocated corporate expenses, interest and finance charges | - | - | - | - | 25.90 | 20.64 |
| Profit before tax | - | - | - | - | 623.67 | 771.85 |
| Income tax (net) | - | - | - | - | 219.70 | 266.04 |
| Profit after tax | - | - | - | - | 403.97 | 505.81 |

(₹ in crore)

| Particulars | Power | | Investment | | Unallocated | | Total | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Depreciation/amortisation/impairment | 93.48 | 17.15 | - | - | 3.96 | 4.09 | 97.44 | 21.24 |
| Non-cash expenses other than depreciation | 5.20 | 19.19 | 250.17 | 113.73 | - | 0.02 | 255.37 | 132.94 |
| Capital expenditure | 0.09 | 1,774.33 | - | - | 4.09 | 15.38 | 4.18 | 1,789.71 |

(₹ in crore)

| Particulars | Power | | Investment | | Total | |
|---|-----------------|-----------------|------------------|------------------|------------------|------------------|
| | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| Segment assets | 6,363.18 | 6,310.53 | 12,632.07 | 10,576.26 | 18,995.25 | 16,886.79 |
| Unallocated corporate and other assets | - | - | - | - | 808.55 | 1,211.69 |
| Total assets | 6,363.18 | 6,310.53 | 12,632.07 | 10,576.26 | 19,803.80 | 18,098.48 |
| Segment liabilities | 4,469.39 | 5,034.05 | 10,560.28 | 8,346.98 | 15,029.67 | 13,381.03 |
| Unallocated corporate and other liabilities | - | - | - | - | 17.44 | 27.88 |
| Total liabilities | 4,469.39 | 5,034.05 | 10,560.28 | 8,346.98 | 15,047.11 | 13,408.91 |

C. Information about major customers

Revenue from one major customers under 'Power' segment is ₹ 2,285.18 crore (March 31, 2017: ₹ 1,543.87 crore) which is more than 10% of the Group's total revenues.

Note No.51 - Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

(a) Subsidiaries

'The group's subsidiaries at 31 March 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

| Name of entity | Place of business/ country of incorporation | Ownership interest held by the group | | Ownership interest held by non- controlling interests | | Principal activities |
|--|---|---|---------------|--|---------------|-----------------------------|
| | | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 | |
| | | % | % | % | % | |
| PTC India Financial Services Limited (PFS) | India | 64.99 | 64.99 | 35.01 | 35.01 | Non-banking finance company |
| PTC Energy Limited (PEL) | India | 100.00 | 100.00 | - | - | Generation of energy |

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations and consolidation adjustments.

Summarised balance sheet

(₹ in crore)

| Particulars | PTC India Financial Services Limited (PFS) | |
|-------------------------------|--|-------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| Current assets | 889.82 | 740.05 |
| Current liabilities | 4,644.21 | 3,510.06 |
| Net current assets | (3,754.39) | (2,770.01) |
| Non-current assets | 11,976.40 | 9,993.89 |
| Non-current liabilities | 5,923.54 | 4,839.16 |
| Net non-current assets | 6,052.86 | 5,154.73 |
| Net assets | 2,298.47 | 2,384.72 |
| Accumulated NCI | 804.69 | 834.89 |

Summarised statement of profit and loss

(₹ in crore)

| Particulars | PTC India Financial Services Limited (PFS) | |
|-----------------------------------|--|----------------|
| | For 31.03.2018 | For 31.03.2017 |
| Revenue | 1,183.64 | 1,202.96 |
| Profit for the year | 138.88 | 260.18 |
| Other comprehensive income | (119.67) | 5.83 |
| Total comprehensive income | 19.21 | 266.01 |
| Profit allocated to NCI | 6.72 | 93.13 |
| Dividends paid to NCI | 33.73 | 26.98 |

Summarised cash flows

(₹ in crore)

| Particulars | PTC India Financial Services Limited (PFS) | |
|---|--|----------------|
| | For 31.03.2018 | For 31.03.2017 |
| Cash flows from operating activities | (1,294.82) | (881.55) |
| Cash flows from investing activities | (12.76) | (5.32) |
| Cash flows from financing activities | 1,331.24 | 893.76 |
| Net increase/ (decrease) in cash and cash equivalents | 23.66 | 6.89 |
| Net increase/ (decrease) in cash and cash equivalents attributable to NCI | 8.28 | 2.41 |

(c) Details of significant restrictions

In respect of investments in subsidiary Companies, the Company has restrictions for their disposal as at 31st March 2018 as under:

| Name of the Subsidiary | Period of restrictions for disposal of investments as per related agreements | Carrying amount (₹ crore) | |
|--|--|---------------------------|------------------|
| | | As at 31.03.2018 | As at 31.03.2017 |
| PTC India Financial Services Limited (PFS) | The company holds 41,74,50,001 equity shares of PTC India Financial Services Limited as on 31.03.2018. Lock in period of 8,02,00,000 shares stands released on 28.02.2020. | 754.77 | 754.77 |
| PTC Energy Limited (PEL) | The company has to own not less than 51% of the equity share capital during the tenure of the loans taken by PTC Energy Limited. | 654.12 | 654.12 |

(d) Interests in associates

Set out below are the associates of the group as at 31 March 2018. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in crore)

| Name of entities | Place of business | % of ownership interest | Relationship | Accounting method | Carrying Amount | |
|---|-------------------|-------------------------|--------------|-------------------|------------------|------------------|
| | | | | | As at 31.03.2018 | As at 31.03.2017 |
| Krishna Godavari Power Utilities Limited * | India | 49.00 | Associate 1 | Equity method | - | - |
| RS India Wind Energy Private Limited (formally known as R.S. India Wind Energy Limited) * | India | 37.00 | Associate 2 | Equity method | - | - |
| Varam Bio Energy Private Limited * | India | 26.00 | Associate 3 | Equity method | - | - |
| RS India Global Energy Limited * | India | 48.00 | Associate 4 | Equity method | - | - |

Group has interest in associates that are unlisted and hence no quoted prices are available.

*The summarised financial information as required by Ind As 112 is not disclosed as the financial statements of the associate company are not available with the parent company

(e) Details of significant restrictions

In respect of investments in associates, the Group has no restriction for their disposal as at 31st March 2018.

Note No. 52 - Additional information required by Schedule III

| Name of the entity in the Group | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|--|--------------|-------------------------------------|--------------|---|--------------|-------------------------------------|--------------|
| | As % of consolidated net assets | (₹ in crore) | As % of consolidated profit or loss | (₹ in crore) | As % of consolidated other comprehensive income | (₹ in crore) | As % of total comprehensive income | (₹ in crore) |
| Parent | | | | | | | | |
| PTC India Limited | | | | | | | | |
| 31 March 2018 | 100% | 3,219.74 | 100% | 319.20 | 100% | (80.21) | 100% | 238.99 |
| 31 March 2017 | 100% | 3,074.88 | 100% | 290.87 | 100% | (20.85) | 100% | 270.02 |
| Subsidiaries (Indian) | | | | | | | | |
| PTC India Financial Services Limited (PFS) | | | | | | | | |
| 31 March 2018 | 64.99% | 1,493.78 | 64.99% | 90.26 | 64.99% | (77.78) | 64.99% | 12.48 |
| 31 March 2017 | 64.99% | 1,549.83 | 64.99% | 169.09 | 64.99% | 3.79 | 64.99% | 172.88 |
| PTC Energy Limited (PEL) | | | | | | | | |
| 31 March 2018 | 100% | 648.11 | 100% | 8.49 | 100% | - | 100% | 8.49 |
| 31 March 2017 | 100% | 639.62 | 100% | (4.81) | 100% | (0.01) | 100% | (4.82) |
| Non-controlling interests in all subsidiaries | | | | | | | | |
| 31 March 2018 | 35.01% | 804.70 | 35.01% | 48.62 | 35.01% | (41.90) | 35.01% | 6.72 |
| 31 March 2017 | 35.01% | 834.89 | 35.01% | 91.09 | 35.01% | 2.04 | 35.01% | 93.13 |
| Associates (Investment as per equity method) | | | | | | | | |
| Indian | | | | | | | | |
| Krishna Godavari Power Utilities Limited* | | | | | | | | |
| 31 March 2018 | 49.00% | - | - | - | - | - | - | - |
| 31 March 2017 | 49.00% | - | - | - | - | - | - | - |
| RS India Wind Energy Private Limited* (formally known as R.S. India Wind Energy Limited) | | | | | | | | |
| 31 March 2018 | 37.00% | - | - | - | - | - | - | - |
| 31 March 2017 | 37.00% | - | - | - | - | - | - | - |
| Varam Bio Energy Private Limited* | | | | | | | | |
| 31 March 2018 | 26.00% | - | - | - | - | - | - | - |
| 31 March 2017 | 26.00% | - | - | - | - | - | - | - |
| RS India Global Energy Limited* | | | | | | | | |
| 31 March 2018 | 48.00% | - | - | - | - | - | - | - |
| 31 March 2017 | 48.00% | - | - | - | - | - | - | - |

*The Group have four associates viz; R.S. India Wind Energy Private Limited, Varam Bio Energy Private Limited, Krishna Godavari Power Utilities Limited and R.S. India Global Energy Limited. The financial statements of four associate Companies are not available with the Group. However, for the purpose of consolidated financial statements, the Group had accounted diminution in the value of net investment in these associates. The Group does not have any further obligations over and above the cost of the investments.

Note No. 53 - 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-08 |
| Date of shareholders' approval | 6-Aug-08 |
| 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 31.03.2018 | | As at 31.03.2017 | |
|--|------------------------|-------------------------------------|------------------------|-------------------------------------|
| | Number of shares (Nos) | Weighted average exercise price (₹) | Number of shares (Nos) | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 21,000 | 25.73 | 21,000 | 25.73 |
| Outstanding at the end of the year | 21,000 | 25.73 | 21,000 | 25.73 |
| Exercisable at the end of the year | 21,000 | 25.73 | 21,000 | 25.73 |
| Weighted average remaining contractual life (in years) | - | - | - | - |

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

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Range of exercise prices (₹) | 25.73 | 25.73 |
| Number of options outstanding | 21,000 | 21,000 |
| Weighted average remaining contractual life of options (in years) | - | - |
| Weighted average exercise price (₹) | 25.73 | 25.73 |

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

- a) Effect on profit & loss:- There is no impact on profit or loss in FY 2017-18 as well in FY 2016-17

b) Effect on financial position:-

(₹ in crore)

| Particulars | As at 31.03.2018 | As at 31.03.2017 |
|---|------------------|------------------|
| Liability for employee stock options outstanding as at the year end | 0.12 | 0.12 |

- vi) Impact on reported profit and earnings per share, if the employee compensation cost would have been computed using the fair value method:- FY 2017-18, Nil (FY 2016-17, Nil)

(vii) Earning per share (₹)

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|----------------|-----------------------|-----------------------|
| Basic | | |
| - as reported | 12.00 | 14.01 |
| - as proforma | 12.00 | 14.01 |
| Diluted | | |
| - as reported | 12.00 | 14.01 |
| - as proforma | 12.00 | 14.01 |

- (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 |
|---|-------------------------------------|-------------------------------------|
| 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 |

Note No.54 - Other information

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

| | | |
|--------------------------------|-------------|------------|
| Number of shareholders | 1,946 | 2,431 |
| Number of shares held | 105,308,015 | 95,263,088 |
| Dividend remitted (₹ in crore) | 31.59 | 23.82 |
| Year to which it relates | 2016-17 | 2015-16 |

- b) (i) In accordance with the accounting policy, the surcharge recoverable on late/ non-payment of dues by customers is recognized when no significant uncertainty as to measurability or collectability exists. 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 Group's claims from its customers.
- b) (ii) During the year, the Group has recognized surcharge of ₹ 118.59 crore (previous year, ₹ 111.84 crore) from customers on amounts overdue on sale of power which has been included in "Revenue from operations". Correspondingly surcharge expense of ₹ 4.46 crore (previous year, ₹ 16.67 crore) paid/payable to sundry creditors has been included in "Operating expenses".

- c) Some of the balances of trade payables, trade receivables and advances are subject to confirmation/ reconciliation. Adjustment, if any will be accounted for on confirmation/ reconciliation of the same, which in the opinion of the management will not have a material impact.
- d) The Group did not have any long-term contracts for which there were any material foreseeable losses.
- e) Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated.
- f) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in crore)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Principal amount remaining unpaid to any supplier as at the end of the accounting year/period. | 0.14 | 0.22 |
| Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period. | - | - |
| The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day. | - | - |
| The amount of interest due and payable for the year/period. | - | - |
| The amount of interest accrued and remaining unpaid at the end of the accounting year/period. | - | - |
| The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid. | - | - |

- g) The figures for the corresponding previous year have been regrouped/reclassified, wherever necessary, to make them comparable.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

Sd/-
(Bhuvnesh Maheshwari)
Partner
M.No.088155

Place: New Delhi
Date: May 16, 2018

For and on behalf of the Board of Directors

Sd/-
(Ajit Kumar)
Director
DIN:06518591

Sd/-
(Pankaj Goel)
Chief Financial Officer

Sd/-
(Deepak Amitabh)
Chairman & Managing Director
DIN:01061535

Sd/-
(Rajiv Maheshwari)
Company Secretary



FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | | | |
|------------------------|--|--------|--|
| Name of the Member(s): | | | |
| Registered address: | | | |
| E-mail id: | | | |
| Folio No./Client Id: | | DP ID: | |

I/We, being the member(s) of shares of the above named company, hereby appoint

- Name :
Address :
Email-Id : Signature :
or failing him/her
- Name :
Address :
Email-Id : Signature :
or failing him/her
- Name :
Address :
Email-Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 19th Annual General Meeting of the Company, to be held on Thursday, September 20, 2018 at 12:30 P.M. at Dr. SRKVS Auditorium (Dr. Sarvepalli Radhakrishnan Auditorium), Kendriya Vidyalaya No. 2, APS Colony, Gurgaon Road Delhi Cantt, New Delhi- 110010 and at any adjournment thereof in respect of such resolutions as are indicated below:

| S. No. | RESOLUTIONS | Vote (Optional see Note no. 2) | |
|-----------------------------|--|--------------------------------|---------|
| | | For | Against |
| Ordinary Businesses: | | | |
| 1. | Adoption of Audited Standalone & Consolidated Financial Statements for the year ended 31 st March, 2018 | | |
| 2. | To recommend dividend for the Financial Year 2017-18 | | |
| 3. | Re-appointment of Mr. Ravi P. Singh (DIN: 05240974) as a Director, who retires by rotation | | |
| 4. | Re-appointment of Mr. Chinmoy Gangopadhyay (DIN: 02271398) as a Director, who retires by rotation | | |
| Special Businesses: | | | |
| 5. | Appointment of Shri Anand Kumar Gupta (DIN: 07269906) as a Nominee Director | | |
| 6. | Appointment of Ms. Sushama Nath (DIN: 05152061) as an Independent Director | | |
| 7. | Appointment of Ms. Bharti Prasad (DIN: 03025537) as an Independent Director | | |
| 8. | Appointment of Shri Sutirtha Bhattacharya (DIN: 00423572) as an Independent Director | | |
| 9. | Appointment of Shri Devendra Swaroop Saksena (DIN: 08185307) as an Independent Director | | |
| 10. | Re-appointment of Shri Deepak Amitabh (DIN: 01061535) as Chairman & Managing Director | | |
| 11. | Re-appointment of Shri Deepak Amitabh (DIN: 01061535) as Chairman & Managing Director | | |
| 12. | Deletion of Article 113 (i) of Articles of Association of the Company | | |

Signed this day of 2018

Signature of Shareholder :

Signature of proxy holder(s) :

Affix
Re. 1/-
Revenue
Stamp

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
- It is optional to indicate your preference. If you leave the 'for' or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



PTC INDIA LTD.

CIN: L40105DL1999PLC099328

Regd. Office: 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place New Delhi - 110 066

Tel: 011-41659500, 41595100, 46484200, Fax: 011-41659144

E-mail: info@ptcindia.com Website: www.ptcindia.com

ATTENDANCE SLIP

19th Annual General Meeting - 20th September 2018

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. PLEASE ALSO BRING YOUR COPY OF THE ANNUAL REPORT.

I hereby record my presence at the 19th Annual General Meeting to be held on Thursday, the September 20, 2018 at 12:30 P.M. at "Dr. SRKVS Auditorium (Dr. Sarvepalli Radhakrishnan Auditorium), Kendriya Vidyalaya No. 2, APS Colony, Gurgaon Road Delhi Cantt, New Delhi- 110010"

| | | | |
|----------------------------|--|---------------|--|
| DP ID No.* | | Folio No. | |
| Client ID No.* | | No. of shares | |
| Name of the shareholder | | | |
| Address of the shareholder | | | |

* Applicable for investors holding shares in electronic form

.....
Signature





PTC INDIA LIMITED

CIN: L40105DL1999PLC099328
Regd. Office: 2nd Floor, NBCC Tower,
15 Bhikaji Cama Place, New Delhi - 110 066,
Tel: 011-41659500, 41595100, 46484200 Fax: 011-41659144
E-mail: info@ptcindia.com Website: www.ptcindia.com

Format of Application for payment of dividend through ECS

MCS Share Transfer Agent 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)

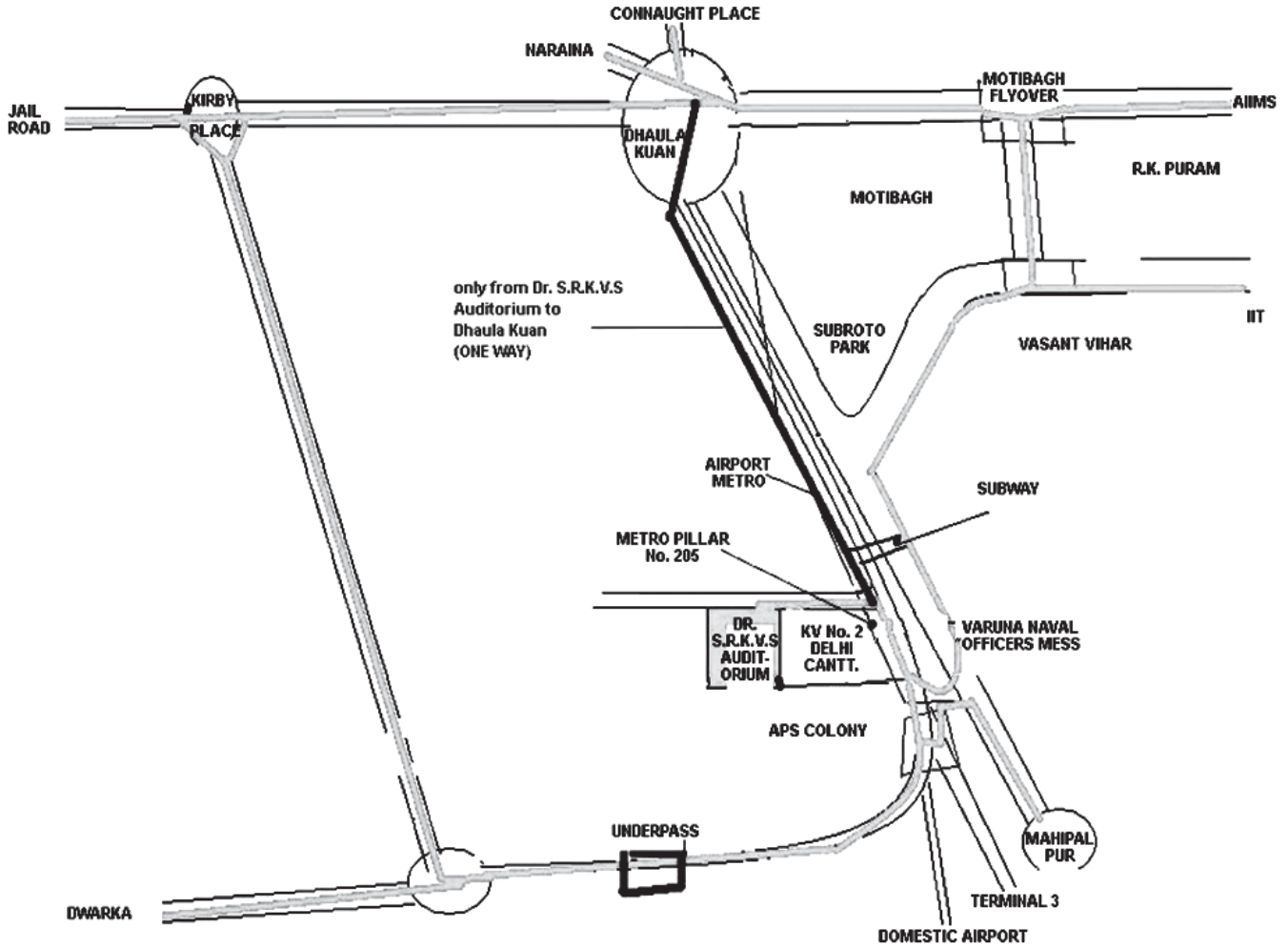
Yours faithfully

.....
(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)



Route Map of the location of AGM





PTC India Limited

CIN: L40105DLI999PLC099328

2nd Floor, NBCC Tower,

15 Bhikaji Cama Place, New Delhi - 110066

Tel. No. - +91-11-41659500, 41595100, Fax No. - 011-41659144

E-mail: info@ptcindia.com | Website: www.ptcindia.com