

PRESS RELEASE



New Delhi: 27th May, 2009

Issue of capital through QIP of PTC India Ltd.

The Committee of Board of Directors of PTC India Ltd approved issue of Equity Shares of the Company of face value of Rs 10/- each by the Company to the Qualified Institutional Buyers ("QIBs") at an offer price of Rs 75 per equity share (including a premium of Rs 65 per equity share) which would result in the issue of 66,665,600 equity shares (the "Equity Shares") aggregating to Rs. 4,999,920,000 in the Issue.

The Issue immediately closed on May 25th 2009 at 08:15 p.m.

PTC India Ltd. started as an intermediary between the project developers and off takers of power for isolating power project developers from the private sector from market risk and credit risk which would provide comfort to lenders and investors and would expedite financial closure of the projects. Simultaneously PTC got into short-term trading of power for creating the electricity market so that investors and lenders would take call on market rather than on government support for power projects.

Over the past 8 ½ years, the market has grown, notwithstanding significant restrictions persisting, and PTC has emerged not only as an intermediary for PPAs but also as a solution provider for the investors in the sector. Today, project developers approach PTC right in the beginning exploring possibility for power purchase agreements, often providing consultancy assignments to PTC to take them through the process. PTC India Financial Services Ltd., financial arm of PTC, does due diligence from financial angles for providing, inter-alia, financial assistance and another subsidiary of PTC, PTC Energy Ltd., is now engaging itself as co-developer of projects including energy efficiency areas. Thus, PTC group has the advantage of not only signing the PPAs but also knowing the power projects from very early stage and is in more comfortable position to assess bankability of the projects than anyone else. It was time for PTC to push for financial closure of projects specially where PTC has signed PPAs or is in the process of signing of PPAs, given PTC's advantageous position in the market.

PTC then decided to enter into market as proposed above. The money raised would be used inter alia for providing anchor money to a third party Fund/ investment in projects. Such a Fund/ investments could be used for providing equity to the needy projects and thereby expediting financial closure of projects. Needless to say that with expeditious financial closure of projects, there will be faster development of projects and, therefore, larger volumes for intermediation i.e. trade, coming to PTC faster than otherwise. This will also help in building up asset for the Fund, i.e., for all the investors to the Fund, and the project developers will also be able to build the projects faster.

The form and terms and conditions of the offering have been determined by the Board of Directors of PTC India Ltd in consultation with the relevant advisors such as merchant bankers, lead managers, advisors, underwriters and other experts in accordance with the terms of such approvals as is required.