



PTC INDIA LIMITED

13TH ANNUAL REPORT 2011 - 2012



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

THIRTEENTH ANNUAL GENERAL MEETING

To be held on Friday the 21st September, 2012 at 04:30 P.M. at FICCI, 1 Foundation House, Tansen Marg, New Delhi - 110001

NOTE:

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

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BOARD OF DIRECTORS

1. Shri T.N. Thakur, Chairman & Managing Director, PTC
2. Shri Deepak Amitabh, Director, PTC
3. Smt. Rita Acharya, Joint Secretary, MOP
4. Shri A.B.L. Srivastava, Director, NHPC
5. Shri I.J. Kapoor, Director, NTPC
6. Shri M.K. Goel, Director, PFC
7. Shri Ravi P. Singh, Director, PowerGrid
8. Shri S. Balachandran, Director, PTC
9. Shri Hemant Bhargava, Director, PTC
10. Shri Ved Jain, Director, PTC
11. Shri Dipak Chatterjee, Director, PTC
12. Shri Anil Razdan, Director, PTC
13. Shri H. L. Bajaj, Director, PTC
14. Shri D. Swarup, Director, PTC

Company Secretary

Shri Rajiv Maheshwari

Statutory Auditors

M/s. K.G. Somani & Company

Internal Auditors

M/s. Ravi Rajan & Co.

Registrar and Share Transfer Agents

M/s. MCS Limited

F-65, Okhla Industrial Area, Phase-I

New Delhi - 110 020

Phone: 41406149; Fax: 41709881

Principal Bankers

IDBI Bank Ltd.

Indian Overseas Bank

State Bank of Travancore

ICICI Bank

Indian Bank

Indusind Bank

Corporation Bank

Yes Bank

NOTICE

NOTICE is hereby given that the 13th Annual General Meeting of the Members of PTC India Ltd. (PTC) will be held on Friday the 21st September, 2012 at 04:30 p.m. at FICCI, 1 Foundation House, Tansen Marg, New Delhi - 110001 to transact the following business:

ORDINARY BUSINESS

1. Adoption of Accounts

To receive, consider and adopt the Balance Sheet as at 31st March 2012, Profit & Loss Account for the year ended on that date, the Auditors' report thereon and the Director's Report for the financial year 2011-12.

2. Declaration of Dividend

To consider and if thought fit, to pass with or without modification (s), the following resolution for dividend for the Financial Year 2011-2012 as ordinary Resolution:

"Resolved that pursuant to provision of Section 205 and other applicable provisions of the Companies Act, 1956, dividend at the rate of 15% (Rs.1.5 per equity share of Rs.10 each) be and is hereby declared for the financial year 2011-12, out of the profits of the Company on the 294,97,3571 equity shares of Rs. 10/- each fully paid up to be paid as per the ownership as on closing hours of 13th September, 2012."

3. To re-appoint Shri M. K. Goel who retires by rotation and is eligible for re-appointment.

4. To re-appoint Shri S. Balachandran who retires by rotation and is eligible for re-appointment.

5. Appointment of Auditors

To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment and fixation of the remuneration for the Statutory Auditors for the Financial Year 2012-2013 as Special Resolution:

"Resolved that pursuant to the provisions of Section 224A of the Companies Act, 1956, M/s K.G Somani & Co. Chartered Accountants (ICAI Registration no.006591N), 3/15, Asif Ali Road, New Delhi-110002, be and is hereby appointed as the Statutory Auditor of the Company for the Financial Year 2012 - 2013 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors or the Audit Committee of the Company.

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

SPECIAL BUSINESS

6. Appointment of Smt. Rita Acharya as a Director, liable to retire by rotation

To appoint Smt. Rita Acharya (who in pursuance of section 260 of the Companies Act, 1956 was appointed as an Additional Director w.e.f. 3rd January, 2012 by the Board of Directors and she holds the office of Director only up to the date of ensuing Annual General Meeting), in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director under Section 257 of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment Smt. Rita Acharya as Director as ordinary Resolution:

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

Further resolved that any Director or Company Secretary of the Company be and is hereby authorized to do all such acts including

filing of necessary intimation with ROC for above purpose."

7. Appointment of Shri Ravi P. Singh as a Director, liable to retire by rotation

To appoint Shri Ravi P. Singh (who in pursuance of section 260 of the Companies Act, 1956 was appointed as an Additional Director by the Board of Directors w.e.f. 3rd April, 2012 and he holds the office of Director only up to the date of ensuing Annual General Meeting), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment Shri Ravi P. Singh as Director as ordinary Resolution:

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

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

8. Appointment of Shri Anil Razdan as a Director, liable to retire by rotation

To appoint Shri Anil Razdan (who in pursuance of section 260 of the Companies Act, 1956 was appointed as an Additional Director w.e.f. 9th January, 2012 by the Board of Directors and he holds the office of Director only up to the date of ensuing Annual General Meeting), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment Shri Anil Razdan as Director as ordinary Resolution:

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

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

9. Appointment of Shri Dharendra Swarup as a Director, liable to retire by rotation

To appoint Shri Dharendra Swarup (who in pursuance of section 260 of the Companies Act, 1956 was appointed as an Additional Director by the Board of Directors w.e.f. 9th January, 2012 and he holds the office of Director only up to the date of ensuing Annual General Meeting), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment Shri Dharendra Swarup as Director as ordinary Resolution:

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

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

10. Appointment of Shri H.L. Bajaj as a Director, liable to retire by rotation

To appoint Shri H.L. Bajaj (who in pursuance of section 260 of the Companies Act, 1956 was appointed as an Additional Director by the Board of Directors w.e.f. 9th January, 2012 and he holds the office of



Director only up to the date of ensuing Annual General Meeting), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment Shri H.L. Bajaj as Director as ordinary Resolution:

“Resolved that pursuant to Section 257 of the Companies Act, 1956, Shri H.L. Bajaj be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.

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

By Order of the Board of Directors,

For PTC INDIA LTD.

(Rajiv Maheshwari)
Company Secretary

Place: New Delhi
Date: 16th August, 2012

Notes:

1. A Member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the Company. A proxy form is enclosed. The instrument appointing a proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business set out in the notice is enclosed.
3. Brief resume of Directors seeking appointment and re- appointment as prescribed under clause 49 of the Listing Agreement is annexed hereto and forms part of the notice.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send the Company a certified copy of Board Resolutions authorizing their representative to attend and vote on their behalf at the meeting.
5. Relevant documents referred to in the notice or in the accompanying explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m and 1:00 p.m. up to the date of Annual General Meeting.
6. The details pertaining to the appointment / reappointment of Directors are furnished in statement of Corporate Governance in the Directors’ Report/ in the Explanatory Statement in the notice.
7. The Company has notified closure of Register of Members and Share Transfer Books from Friday, 14th September, 2012 to Friday, 21st September, 2012 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting. The dividend in respect of equity shares held in electronic form will be paid on the basis of beneficial ownership existing as on closing hours of 13th September, 2012 and as per details available from NSDL and CDSL.
8. Members/ proxies should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
9. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Shareholders holding the shares in physical form and desirous of making nominations, as provided by Section 109A of Companies Act 1956, are requested to send their requests in Form No. 2B in duplicate (which will be made available on request).
11. In respect of shareholders’ holding shares in electronic form, members are requested to notify any change of address and change in bank details to their Depositories Participants.
12. The communication address of our Registrar and Share Transfer Agent (RTA) is MCS Limited, F-65, Okhla Industrial Area-Phase-I, New Delhi-110020.
13. Annual Listing fee for the year 2012-2013 has been paid to Stock Exchanges where the Equity Shares of Company are listed.
14. Members are requested to notify immediately any change of address :
 - i) to their DP in respect of Shares held in dematerialized form
 - ii) to RTA i.e. M/s MCS Ltd. in respect of their physical shares, if any, quoting their folio number.
15. For Electronic Clearing System facility for crediting dividend directly to your designated bank accounts, shareholders are requested to give their mandate in the form enclosed.
16. The entire Annual Report is also available at the Company’s Website www.ptcindia.com.
17. The Company is not providing Video Conferencing facility for this meeting.
18. Members who wish to claim Dividends, which remain unpaid, are requested to correspond with our Registrar and Share Transfer Agent (RTA) i.e. M/s MCS Ltd. Members are requested to note that dividend not en-cashed / claimed within seven years and 30 days from date of declaration of dividend, will, as per Section 205A(5) read with Section 205C of the Companies Act, 1956, be transferred to Investor Education Protection Fund of Government of India. In view of this, members are requested to send all un-cashed dividend warrants pertaining to respective years to Company/ RTA for revalidation and en-cash them before due date.
19. As per circular no.18/2011 on Green initiative, the Company will send Annual Report along with other documents through email to all members, who have registered their email address with the depository and physical hard copies will be dispatched to others. In case any member desire to get hard copy of Annual Report, they can write to Company at registered office address or email at cs@ptcindia.com OR admin@mcsdel.com.

Important Communication to Members

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

To: All Shareholders, Directors and Auditors

Annexure to the Notice

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

Item no. 3

Shri M.K. Goel

Shri M.K. Goel, aged about 56 years holds a Degree in B.E.(Technology). He is a nominee Director of PFC Limited, which is a Promoter Company of PTC. He was originally appointed as additional director on the Board of Company w.e.f.08-08-2008 and confirmed in 10th AGM in 2009 as rotational Director; is retiring at the ensuing Annual General Meeting and eligible for re-appointment.

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

Shri M.K. Goel does not have any shareholding in the Company.

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

Item no. 4

Shri S. Balachandran

Shri S. Balachandran, aged around 66 years holds a Degree in Master in Science (M.Sc.). He was originally appointed as additional director on the Board of Company w.e.f.01-01-2009 and confirmed in 10th AGM in 2009 as rotational Director; is retiring at the ensuing Annual General Meeting and eligible for re-appointment.

The above appointment of Shri S. Balachandran, as Director requires approval of the Members in the General Meeting. Brief resume of Shri S. Balachandran is annexed.

Shri S. Balachandran does not have any shareholding in the Company.

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

Item no. 6, 7, 8, 9 and 10

Smt. Rita Acharya

Smt. Rita Acharya, aged around 57 years, holds a Master Degree in Social Work and Diploma in Development Administration is a Joint Secretary, Ministry of Power, Government of India. She has been appointed on the Board of Company as additional Director w.e.f 3rd January, 2012.

The company has received a notice in writing as per Section 257 of the Companies Act, 1956, signifying intention to propose Smt. Rita Acharya as Director on the Board of PTC.

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

Smt. Rita Acharya does not have any shareholding in the Company.

None of the Directors except Smt. Rita Acharya is interested or concerned in the resolution of her appointment. The Board recommends the resolution for your approval.

Shri Ravi P. Singh

Shri Ravi P. Singh, aged around 52 years holds a Degree of B.E.(Mechanical) and Post-Graduate Diploma in HR, is Nominee Director of Powergrid Corporation of India Limited on the Board of PTC. He has been appointed as an additional Director w.e.f 3rd April, 2012.

The company has received a notice in writing as per Section 257 of the Companies Act, 1956, signifying intention to propose Shri Ravi P. Singh as Director on the Board of PTC.

The above appointment of Shri Ravi P. Singh, as Director being liable to retire by rotation in terms of Section 255 of the Companies Act, 1956 requires

approval of the Members in the General Meeting. Brief resume of Shri Ravi P. Singh is annexed.

Smt. Shri Ravi P. Singh does not have any shareholding in the Company.

None of the Directors except Shri Ravi P. Singh is interested or concerned in the resolution of his appointment. The Board recommends the resolution for your approval.

Shri Anil Razdan

Shri Anil Razdan, IAS (Retd.) aged around 64 years, holds a Degree in B.Sc. (Hons.) and Law Graduate from Delhi University has been appointed as additional Director on the Board of Company w.e.f. 9th January, 2012.

The company has received a notice in writing as per Section 257 of the Companies Act, 1956, signifying intention to propose Shri Anil Razdan as Director on the Board of PTC.

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

Smt. Anil Razdan does not have any shareholding in the Company.

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

Shri Dharendra Swarup

Shri Dharendra Swarup, aged around 67 years, holds a Post - Graduate Degree in Humanities has been appointed as additional Director on the Board of Company w.e.f. 9th January, 2012.

The company has received a notice in writing as per Section 257 of the Companies Act, 1956, signifying intention to propose Shri Dharendra Swarup as Director on the Board of PTC.

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

Smt. Dharendra Swarup does not have any shareholding in the Company.

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

Shri H.L. Bajaj

Shri H.L. Bajaj, aged around 67 years, holds a Master Degree in Power System and B.E. (Electrical) has been appointed as additional Director on the Board of Company w.e.f. 9th January, 2012.

The company has received a notice in writing as per Section 257 of the Companies Act, 1956, signifying intention to propose Shri H.L. Bajaj as Director on the Board of PTC.

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

Smt. H.L. Bajaj does not have any shareholding in the Company.

None of the Directors except Shri H.L. Bajaj is interested or concerned in the resolution of his appointment. The Board recommends the resolution for your approval.

By Order of the Board of Directors

For PTC India Ltd.



(Rajiv Maheshwari)
Company Secretary

Place: New Delhi

Date: 16th August, 2012

Brief Profile of Directors seeking Re-appointment at 13th Annual General Meeting

Name	Date of Birth	Qualifications	Expertise	Directorship in other Companies	Membership/ Chairmanship of committees other than PTC
Shri M. K. Goel	17-09-1956	B.E. (Technology)	Shri Mukesh Kumar Goel, aged about 56 years, is the nominee Director of PFC in the Board of PTC since 8th August 2008. He holds the post of Director (Institutional Development & Administration) in PFC. Shri Goel has a career spanning over 30 years. He also works with NHPC, He has been involved in inducing reforms in State Power Utilities, steering Restructured Accelerated Power Development & Reform Programme of Government of India.	<ol style="list-style-type: none"> 1. Power Finance Corporation Ltd. (PFC) 2. Orissa Integrated Power Ltd. 3. Sakshigopal Integrated Power Company Ltd. 4. Ghogarpalli Integrated Power Co. Ltd. 5. PFC Consulting Ltd. 6. Tatiya Andhra Mega Power Ltd. 7. PTC India Financial Services Limited 8. PFC Green Energy Ltd. 9. Chattisgarh Saruja Power Ltd. 10. PFC Capital Advisory Service Ltd. 	<ol style="list-style-type: none"> 1. PFC - Member, Remuneration Committee and Shareholders Grievance Committee.
Shri S. Balachandran	27-08-1946	Master in Science (Msc.)	Shri S. Balachandran, aged about 66 years is an Ex-Addl. member (Budget), Ministry of Railways & Ex Managing Director Indian Railways Finance Corporation. He has rich experience in Finance sector	<ol style="list-style-type: none"> 1. Dredging Corp. of India (DCI) 2. ONGC Petro Additions Ltd. (OPAL) 3. PTC Energy Limited (PEL) 	Audit Committee : <ol style="list-style-type: none"> 1. PEL 2. DCI 3. OPAL

Brief Profile of Directors seeking Appointment at 13th Annual General Meeting

Name	Date of Birth	Qualifications	Expertise	Directorship in other Companies	Membership/ Chairmanship of committees other than PTC
Smt. Rita Acharya	13-12-1954	Master Degree in Social work ; And Diploma in Buisness Administration	Smt. Rita Acharya, aged about 57 years is a nominee Director of Ministry of Power, Government of India. She is an officer of Central Secretariat Service. She is currently Joint Secretary in the Ministry of Power. Before joining Ministry of Power, she has worked in the Ministry of Finance (Department of Economic Affairs) and Ministry of Home Affairs and Handled various important portfolios like matters relating to foreign exchange budget, balance of payments, bilateral/multilateral assistance, water supply & forestry projects assisted by World Bank, Centre-State relations, prison reforms & treaties relating to repatriation of prisoners and energy conservation.	1. Powergrid Corporation of India Ltd.	NIL
Shri Ravi P. Singh	21-01-1960	B.E. (Mechanical) And Post- Graduate Diploma in HR	Shri Ravi P. Singh, aged about 52 years is a nominee Director of Powergrid Corporation of India Ltd. He has previously held the positions of Executive Director (Eastern Region-II) and Executive Director (Human Resource Management & Corporate Communication) in Powergrid. Shri Singh has over 30 years of work experience in the power sector, handling various multi-disciplinary functions like HR, Telecom, Contracts, Materials, Planning etc.	1. Powergrid Corporation of India Ltd. 2. Powerlinks Transmission Ltd.	NIL
Shri Anil Razan	07-12-1948	B. Sc. (Hons.) (Physics) And LL.B	Shri Anil Razdan, IAS (Retd.), aged about 64 years had joined the Indian Administrative Service in 1973. Shri Anil Razdan was secretary of the Government of India in Ministry of Power during 2007-2008. He has held various significant assignments in the Government of Haryana, and the energy sector in the Government of India, including that of Additional & Special Secretary with the Ministry of Petroleum & Natural Gas. He has rich experience of Indian Power Sector.	1. Bharat Electronics Ltd. 2. Era Infra Engineering Ltd. 3. Hindustan Petroleum Corporation Ltd. 4. MMTC Ltd. 5. Green Valley Energy Ventures Pvt. Ltd. 6. Era Khandwa Power Ltd.	Audit Committee: 1. Bharat Electronics Ltd. 2. Hindustan Petroleum Corp. Ltd. 3. MMTC Ltd.
Shri Dharendra Swarup	05-12-1944	Post Graduate in Humanities	Shri Dharendra Swarup, aged about 67 years, is a Govt. certified Public Accountant and a Fellow of Institute of the Public Auditors of India. Along with this Shri Swarup was member of the Board of SEBI, and a member of Permanent High - Level Committee on Financial Market between July 2005 and December 2009. As former civil servant, he retired as Secretary, Ministry of Finance, Government of India in 2005, & has approximately 42 years of experience in finance, budgeting, audit, public policy. Shri Swarup has also served as Chairman of Pension Funds Regulatory Authority between 2005 & 2009, Chief of Budget Bureau of GoI between 2000& 2005. He has rich experience of finance sector.	1. Eros International Media Ltd. 2. Financial Planning Standards Board, India 3. Financial Planning Corporation of India Pvt. Ltd. 4. United Stock Exchange of India	Eros International Media Limited 1. Audit Committee; 2. Remuneration & Compensation Committee 3. Investor Grievance Committee United Stock Exchange of India 1.Chairman, Audit Committee
Shri H.L. Bajaj	20-05-1945	Master in power Systems & B.E. (Electrical)	Shri Harbans Lal Bajaj aged about 67 years. He is Fellow- The Institute of Electrical and Electronics (IEEE), U.S.A and Fellow- The Institute of Engineers (India). He has held the positions of Chairman, Central Electricity Authority. Shri Harbans Lal Bajaj has over four decades of experience in the development and growth of Indian Power Sector. He has expertise in Engineering, Contracting, Construction, Commercial and Human Resource Management in NTPC Ltd. He has proficiency in Policy making and Regulatory matters at Apex Level in CEA and Appellate Tribunal for electricity and NTPC Ltd.	Nil	Nil



DIRECTORS' REPORT - 2011-2012

Dear Shareholders,

Your Directors have pleasure in presenting to you, the Thirteenth Annual Report on the activities of your Company along with the Audited Annual Accounts for the Financial Year 2011-12.

Performance and Financial Highlights

Your Company has completed another innovative year of its operations, wherein it has sustained and maintained its leadership position in the industry. The trading volumes were marginally lower by (0.64%) this year at 24325 MUs as against 24481 MUs during the previous year. With a turnover of Rs. 77011 million (including other income) for the year 2011-2012 as against Rs. 90603 million (including other income) in the financial year 2010-11, your Company has earned a profit after tax of Rs. 1204 million as against Rs. 1385 million in the previous year.

Your Company has two subsidiaries, namely PTC India Financial Services Limited (60% owned) and PTC Energy Limited (Wholly Owned). The consolidated turnover of the group is Rs.81105 million for the current financial year as against Rs. 92627 million for the financial year 2010-11. The consolidated profit after tax of the group is Rs. 2041 million for the current financial year as against Rs. 1660 million for the financial year 2010-11.

The financial results of the company for the FY 2011-12 vis-a-vis 2010-11 under broad heads are summarized as under:-

Financial results of the company for the FY 2011-2012 vis -a-vis 2010-2011

Particulars	For the Year ended 31.03.2012 (in Rs. Million)	For the Year ended 31.03.2011 (in Rs. Million)
Sales (including rebate on purchase of power, service charges and surcharge)	76501.57	89972.75
Other Income (including income from consultancy services)	509.08	630.41
Purchase (including rebate on sale of power)	74765.92	88370.81
Employee Cost	119	69.58
Other Expenses etc.	424.10	144.37
Profit before amortization, depreciation and prior period items	1701.63	2018.40
Amortization and Depreciation	44.63	50.34
Prior Period Expenses/(Income)	1.22	0.09
Profit Before Tax	1655.78	1967.97
Provision for Taxation (including deferred tax income)	452.12	582.78
Profit After Tax	1203.66	1385.19
Balance as per last accounts	1393.91	938.52
Transferred to General Reserves	361.10	415.56
Dividend (incl. dividend tax)	514.24	514.24
Transfer to contingent reserves	-	-
Balance carried forward to Balance Sheet	1722.23	1393.91
Earning Per Share in Rs.	4.08	4.70

Appropriations

Dividend

Your Directors are pleased to recommend for your consideration and approval dividend @ 15% for the financial year 2011-12 i.e. Rs 1.5/- per equity share (which is same as paid in last year) of Rs. 10 each. The dividend if approved at ensuing Annual General Meeting, will absorb Rs.514.24 million including corporate dividend tax amounting to Rs.71.78 million.

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

Reserves

Out of the profits of the Company, a sum of Rs.361.10 million has been transferred to General Reserves during the year and total reserves and surplus of the Company are Rs.19551.41 million (including share premium) as on 31st March 2012.

Public Deposits

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

Capital Structure

As on 31st March 2012, PTC has Authorized Share Capital of Rs. 750,00,00,000 and Paid-Up Capital of Rs. 294,97,35,710/- divided into 294,97,35,710 equity shares of Rs.10 each. The equity shares of your Company are listed on the 'Bombay Stock Exchange Limited' (BSE) and 'The National Stock Exchange of India Ltd.' (NSE). The promoters i.e. NTPC Ltd. (NTPC), Power Grid Corporation of India Ltd. (POWERGRID), Power Finance Corporation Ltd. (PFC) and NHPC Ltd. (NHPC) individually hold 4.07% each, or 16.27% collectively of the paid-up equity and subscribed share capital of your Company and the balance of 83.73% of the equity paid-up and subscribed share capital of your Company is held by Power Entities, Financial Institutions, Life Insurance Corporation of India and other Insurance Companies, Banking Institutions, Corporations, Investment Companies, Foreign Institutional Investors, Private Utilities and others including general public at large.

The shareholding pattern of your Company as on 31.03.2012 is as follows:-

Category	No. of shares held	Percentage of Shareholding
A Promoter's holding		
1 Promoters		
- Indian Promoters	48,000,000	16.27
- Foreign Promoters	-	-
2 Persons acting in concert	-	-
Sub-Total	48,000,000	16.27
B. Non-Promoter's Holding		
1 Institutions		
Mutual Funds and UTI	46151970	15.65
Banks and Financial Institutions	29809273	10.11
Insurance Companies	64452893	21.85
FIs	42611137	14.45
Sub-Total B(1)	183025273	62.05
2 Non Institutions		
Bodies Corporate (incl. DVC)	23964899	8.12
Individuals (holding nominal share capital upto Rs. One lac)	30617738	10.38
Individuals (Holding nominal share capital in excess of Rs. One lac)	7109124	2.41
Others		
-NRIs	2194537	0.74
-OCBs	0	0.00
-Trusts and Foundations	62000	.02
Sub-Total B (2)	63948298	21.68
Total Public Shareholding	246973571	83.73
GRAND TOTAL	294973571	100.00

Net Worth and Earning Per Share (EPS)

As on 31st March 2012, net worth of your Company aggregates to Rs.22,501.15 Mn as compared to Rs. 21,801.80 Mn for the previous year thereby registering a growth of 3.21%.

EPS of the Company as on 31.03.2012 stands at Rs.4.08 in comparison to Rs.4.70 as on 31.03.2011.

MANAGEMENT DISCUSSION AND ANALYSIS

The year gone by has been tough for the world economy. Already troubled by Europe's debt crisis, the world now fears a slowdown in other economies as well. India managed quite well in the previous crisis and our economy looked insulated. But the current slowdown is impacting our country as well, which is reflective of slower GDP growth though India still managed to grow by 6.5% in FY12. Despite various risks pointed out by analysts, overall economic outlook of India in the long run is still quite positive.

However to transform this positive outlook into reality, growth of infrastructure sector will be the key. Among all the sub-sectors of Infrastructure, energy has a very strong linkage with economy. So to get back on the path of high growth, energy sector has to grow concurrently. The government is definitely aware of this fact which is evident from the attention power sector got in the recent budget. The fact that fuel supply constraint is affecting the production was duly recognized and customs duty on imported coal was waived off for the year. Power companies also got permission to avail of External Commercial Borrowings (ECBs) to part finance their rupee debt. Quantum of tax-free bonds for the sector was also doubled to INR 100 billion. These incentives may be seen as an important step towards realizing the targets set for 12th plan.

Even as the Government is drawing up ambitious plans envisaging 90 GW of capacity addition in the 12th plan, country's power sector is facing some multidimensional challenges. These issues are constraining the growth of power sector and are creating slight negative sentiment among investors.

The biggest issue facing the sector is poor financial health of discoms. Shunglu Committee has been critical that restructuring of erstwhile vertically integrated entities was more in form than substance. The current condition of discoms was attributed to a gap of about INR 0.60/kWh between average cost and average revenue and operational and management issues coupled with regulatory shortcomings. The report suggested setting up of a Special Purpose Vehicle (SPV) to buy out distressed debts of banks to discoms on certain preconditions.

The poor financial health of discoms had its impact on PTC business operations as well this year. Payment security thus far was satisfactory at National level, but this year we faced unprecedented difficulties in realizing our dues from some State discoms particularly from Uttar Pradesh and Tamil Nadu. However, we have got assurance from these States that they will liquidate our outstanding in a progressive manner.

Appellate Tribunal's (APTEL's) landmark judgment directing all State Electricity Regulatory Commissions (SERCs) to decide tariff before 1st April of particular year and initiate suo motu proceedings in case discoms failed to file tariff petitions will help in tariff revisions thereby bridging the gap between cost and revenue of the discoms. A number of States have initiated tariff revision which will help these utilities come in better financial position.

Another major issue is shortage of fuel, particularly coal. Demand for coal has been growing while Coal India Ltd.'s (CIL's) production has been more or less stagnant for past couple of years. Persistent fuel shortage may have implication on growth of trading volumes of PTC in future as many developers out of our sizeable coal portfolio depend on CIL's linkage. There are indications that new Fuel Supply Agreement (FSA) issued by CIL will assure 65% of the contracted quantity with a penalty of 10% for short supplies. However, the minimum supply level may get increased to 72% after three years and reach the 80% mark in five years.

Considering the coal supply situation compared to the demand, it looks like that dependence on imported coal will go up. Projections suggest that there will be a deficit of up to 265 Million Tonnes (MT) of domestic coal by FY17. This provides a window of opportunity for our subsidiary PTC Energy Ltd. (PEL). We have been sourcing coal for our Independent Power Producers (IPPs) on their request and we see a substantial rise in coal trading volumes in the coming years.

Case-1 bidding, made mandatory for procurement of power in long/medium-term (LT/MT) from Jan'2011, has not seen much progress in past year and the whole process has been plagued with issues. Procurers sometimes resort to negotiation/counter offer with bidders to match L1 tariff which dilutes the very process of competitive bidding. There have been cases when procurers didn't fulfill commitment as per Letter of Intent (LOI) or even cancelled LOI resulting in loss of opportunity for bidder to participate in other bids. It is because of these and various other issues in Case-1 bidding that we feel that MoU route should continue as an alternative to competitive bidding. According to the interpretations of relevant provisions of the Electricity Act by senior Supreme Court advocates, both the alternatives are available to the procurers. Utilities are being sensitized to go for both the options so as to remove the uncertainties associated with present case-1 bidding.

There is a trend visible in the market that discoms are increasingly resorting to procurement of Medium-term (MT) power through Case-1 bidding. Madhya Pradesh invited bids for supply of 500 MW power in medium-term. Your company participated in the bid and is competitively placed according to the financial bids.

Ministry of Power (MoP), Government of India (GoI) have issued Guidelines for Short-term (ST) Procurement of Power. The positive aspect of these guidelines is that only serious players with adequate financial strength will be able to participate in bidding.

There were some positive movements to handle the difficulties towards full scale Open Access (OA) in distribution. Ministry of Law's opinion on OA stating that consumers of load of more than 1 MW are deemed OA customers and cannot be denied Open Access will strengthen the legal argument of such customers. The impact will not be immediate but huge opportunities are opening up. To seize these opportunities, your company has started a Strategic Business Unit (SBU) namely PTC Retail which has already tied up with about 100 OA customers. The clientele spans across various State Utilities, Industrial Consumers, Captives, etc. trading power and Renewable Energy Certificates (RECs) through PTC on power exchanges. PTC Retail aims to increase its presence across India to take the early mover advantage and to provide third-party access to loads exceeding 1 MW by playing the role of an aggregator.

On regulation front, CERC amended various regulations. Amendments in Grid Code are a welcome move as these will help in aligning grid code with the regulations resulting in better grid discipline. CERC also tightened the frequency band for Unscheduled Interchange (UI) thereby resulting in lower UI volumes in ST market. Since UI has implication on grid security, this is a progressive move. Amendments were also made in Sharing of Inter-state transmission charges and losses bringing clarity on the newly introduced Point of Connection (PoC) pricing mechanism.

CERC (Payment of Fees) Regulations has been amended to hike the license fee. Accordingly, fees for Category-1 trading license has increased significantly from current INR 3 million to INR 4 million. Draft amendment have also been proposed in Grant of Trading License Regulations which will impose more stringent compliance requirements on the traders and disallow power sale to entities who default in payment of dues to Powergrid, central generating units etc. Your company has submitted to Hon'ble Commission that in a scenario where many of the power utilities have outstanding payments to one or the other stakeholders, such regulation may have a negative impact on short term trading business.

Trading licensees feel that there is a need for a formal Association of Power Traders (APT). Hence, the process of formulation of APT has been started to provide a forum for addressing issues of common interest affecting power traders among other objectives.



Short-term (ST) market grew by 16% YoY to 94.5 Billion Units (BUs) in FY12. Traders have been playing a vital role in the development of ST market which is evident from the fact that bilateral trading contributed ~40% in the total ST market in FY12 and grew by 23% YOY. Direct Bilateral constituted 16% of the ST market in FY12 but grew by 50% YoY. A major chunk of this growth was because of increase in banking transactions (cashless transactions where utilities borrow power during days of power deficit and return the same in kind during power surplus days) which in turn might be due to poor financial health of utilities. Comparatively, volume on power exchanges (PX) grew only by 9.5% YOY against the last year growth of 100% and UI volume reduced by 1% YOY (mainly because of frequency band reduction by CERC) which is a positive development. There is lot of scope of improvement and expansion of market as UI still constitutes 29% of the market.

Price in bilateral market remained slightly higher than PX for most part of the year indicating that buyers are ready to pay premium for certainty of power. Also bilateral prices were less volatile than PX prices. Average prices over the year continue to show downward trend – primarily due to diminishing purchasing power of utilities. This presents an artificial and distorted picture of the market. This aberration in the market has affected the market sentiments in the new builds of private sector. However, the way things are, there might be increased demand-supply gap which is expected to pull up the prices. Analysts have carried out sensitivity analysis to understand the impact of imported coal on prices – in the current year, cost of power produced from 100% imported coal comes around INR 4.5/kWh which is 50-60% higher than that produced from 100% domestic coal.

As far as performance of your company is concerned, it traded 24.3 BUs of electricity with a market share of 43% (including cross-border and intra-state trades). Despite challenges, PTC has maintained its market leadership position. The volume is slightly lower than last year but this is despite regulated supply to some States (primarily TN and UP, causing an approximate opportunity loss of more than 4000 Million Units [MUs]), which is an achievement in itself. Trade on power exchanges by PTC also declined by 11% YOY to 3.2 BUs because of this.

Most of the power traded by us was on Round The Clock (RTC) basis–95.7% which is a percentage point less than last year – the remaining power being Peak and other. Because of the regulated trade with Tamil Nadu and Uttar Pradesh, trade with Captive power plants dropped significantly by 70% to 1186 MUs.

Our top 5 suppliers of electricity in FY12 were Government of Himachal Pradesh, Lanco, J&K State Power Development Corporation, West Bengal State Electricity Distribution Company Ltd. and Torrent Power. Our top 5 buyers in FY12 were Uttar Pradesh, West Bengal, Punjab, Haryana and Bihar.

Cross-border trade with Bhutan dropped slightly to 5.3 BUs in FY12 (5.6 BUs in FY11) on account of increased domestic demand in Bhutan. Nevertheless, the trade with Bhutan has been more or less stable and has entered into 10th successful year. It remains an important part of our portfolio. Your company also supplied 69 MUs to Nepal, 50% increase YoY. PTC has also signed Power Sale Agreement (PSA) with Nepal Electricity Authority (NEA) for supply of 150 MW coal based thermal power on LT basis. This power may start flowing in next 2-3 years. Your company has also been playing a catalytic role in the up-gradation of Indo-Nepal transmission interconnections. Apart from this, your company also signed a Memorandum of Agreement (MoA) with GMR for its 600 MW Marsyangdi project in Nepal.

With Bangladesh, talks were going on earlier for supply of 250 MW. Now that they have invited competitive bids for that quantum from Indian stakeholders, we are actively participating in the same. We also participated in pre-bid meeting and offered solutions to Bangladesh Power Development Board (BPDB) which are under consideration.

As you are aware, PTC has been working on two tolling projects for quite some time. In these projects, PTC will source the fuel, own the power produced from these projects and pay a conversion charge to the developer. The first unit of one of the project has been commissioned in May 2012 and

the second unit has been commissioned in July, 2012 and your company is successfully selling that power in the market.

Renewable Energy (RE) has been growing in the country at a fast pace. Your company is also playing an increasingly important role in RE. We are facilitating sale of solar power between solar developers and solar power consumers through mutually beneficial trading arrangements and providing advisory solutions for development/marketing of solar projects. Renewable Energy Certificates (RECs) trading started last year on power exchanges and has shown tremendous growth over the year. Your company is also facilitating various entities in meeting their Renewable Purchase Obligations (RPOs) through sale of Renewable Energy Certificates (RECs) and has traded ~60000 RECs (1 REC= 1MWh of RE) in FY12. Since RPO are going to increase every year, this market is expected to grow at a healthy rate and your company is committed to play an important role.

Our subsidiary, PFS, is also financing development of Renewable power projects. So far, it has funded 22 projects (Wind, Biomass, Solar, Small Hydro), total funding being INR 7900 million.

PFS, this year, recorded revenue of INR 3072 million compared to INR 1088.5 million last year. PAT increased to INR 1540 million in FY12 compared to INR 370 million in FY11, an increase of 316%. Major contribution in this year figures was from gain on sale of equity investments (INR 1050 million). PFS concluded sale of its part stake in Indian Energy Exchange (IEX) bringing its stake in the exchange to 5%. The company does not have any NPA as on 31st March, 2012.

PTC Energy Ltd. (PEL) purchased and sold 424,061 Metric Tonne (MT) of imported coal in FY12 realizing a profit of INR 28.8 million, an increase of 127% over FY11. As dependence on imported coal in the country is expected to grow, PEL is exploring avenues for adding new suppliers and buyers under its umbrella of fuel intermediation on competitive basis.

PTC has also been able to make substantial progress in the area of energy efficiency management and had been able to generate a total revenue of around INR 7.5 million by the ensuing year. Out of the seven BEE entrusted Energy Efficiency Investment Grade Energy Audit studies, President's Estate, All India Institute of Medical Sciences (AIIMS), and Indira Gandhi Employees State Insurance (IGESI) Hospital (Jhilmil, New Delhi) had issued LOI for implementation of energy cost saving measures on the Energy Savings Company (ESCO) concept (a concept where savings achieved are shared), President's Estate has been concluded and others are in different stages of implementation.

Last financial year was tough for the entire power sector but outlook for the sector in medium and long term remains positive. Going forward, it is felt that the key issues such as fuel, tariff revisions and financial health of discoms would get resolved due to intervention from the highest level of government and progressive steps of the regulators. PTC's constant endeavor will be to provide our customers with quality service, long term trusted partnership and to contribute positively towards the development of power market.

Domestic Trading

Your Company has completed another significant year of its operations. This year has been turbulent considering the deteriorating financial health of the state power utilities but still the company has maintained and sustained its position in the industry. There has been rise in the domestic trades by maintaining the continuous interaction with customers, providing innovative solutions and managing the key portfolio of some states. Your Company remains the front runner in the power trading market.

PTC achieved a trading volume of 24325 MUs during 2011-12 against the previous year figure of 24481 MUs which witnessed a marginal drop of 0.64% over the previous year. PTC's volume on power exchanges during 2011-12 reached 3596 MUs against the previous year figure of 4044 MUs which has witnessed a decrease of 11.08% over the previous year. Share of PTC traded volume on Power Exchange is about 14.78% of its portfolio. Long term power from projects have started contributing to trading volumes and the total MU traded from projects under long term PPA reached 4749 MUs.

Your Company extended its existing agreements with Chhattisgarh, Government of Himachal Pradesh and CPPs/IPPs for sale of their surplus power for period ranging between 1 to 3 years. Negotiations are in advance stage with some other surplus States/Utilities for signing agreements on similar lines. PTC for the first time supplied power under Medium Term Open Access (MTOA) basis to some state utilities. The power plant under the power tolling arrangement has been commissioned and presently their power is being sold under short term/power exchange. The Company also carried out a significant number of energy banking transactions during the year.

Power trade with Bhutan

Your Company continues to import power from 3 hydroelectric projects in Bhutan under long term bilateral arrangement.

Surplus power from 336 MW (4X84 MW) Chhukha project is being supplied to the Eastern Region constituents namely Bihar, DVC, Orissa, Jharkhand, Sikkim and West Bengal.

Surplus power from 60 MW (4X15 MW) Kurichhu project is being supplied to Eastern Region constituents namely West Bengal and DVC.

Surplus power from 1020 MW (6X170 MW) Tala project is being supplied to Bihar, DVC, Orissa, Jharkhand and West Bengal in the Eastern Region and to Delhi, Haryana, J&K, Punjab, Rajasthan and Uttar Pradesh in the Northern Region.

During the year 2011-12, the total energy imported from Bhutan was 5275 MUs which is 5% less than the energy imported during the year 2010-11. This less import is due to the increase in consumption of power in Bhutan.

Power Trade with Nepal

The bilateral exchange of power between the two countries is carried out under two categories: (a) arrangement under Indo-Nepal Power Exchange Committee and (b) commercial power transactions

Under commercial arrangement, your Company exports power to Nepal to meet their urgent requirement. Generally power on commercial principles is supplied to Nepal Electricity Authority (NEA) during winter months when their own hydro generation drops significantly. Your Company arranged 20 MW RTC power from 1st December 2011 till 30th April 2012 and about 73 MUs were exported to Nepal.

Your Company is also exploring possibilities of entering into long term PPAs with the prospective IPPs in Nepal for import of power through new transmission corridor being proposed between India and Nepal. During this fiscal, PTC has signed a long term power trade agreement with NEA to supply them 150 MW power for 25 years. The supply of 150 MW is expected to commence after commissioning of 400 KV Mujaffarpur (India) and Dhalkebar (Nepal) transmission line in next 2 to 3 years.

Power Exchange Operation

The share of power exchange in the short term market is growing at best rate of growth (9.5%), which have been lower as compared to the growth in the bilateral trade (23.57%). In absolute terms, volume traded on exchange (excluding TAM) increased by about 9.5% from about 13.54 BU in the FY 2011 to 14.82 BU in the FY 2012. At present, two national power exchanges are in operation namely Indian Energy Exchange and Power Exchange of India Ltd. Indian Energy Exchange (IEX), co-promoted by PTC Group continues to be the dominant player in the power exchange market in India. There is also a sharp increase in the client members on the IEX. More than 1200 members are availing exchange facility to predominantly meet their day ahead power requirement. CERC has also given nod to a third power exchange in India, namely National Power Exchange Ltd. promoted by NTPC, NHPC, PFC and Tata Consultancy Services (TCS) which is expected to be operational in near future. The long-term objective of exchanges is to drive the Indian power sector towards competition-based pricing that will ultimately benefit the end consumers.

PTC is among the leading members of both the exchanges and has the biggest portfolio of State Utilities trading power on the exchanges via traders. Apart from the state utilities, PTC's list of clients range from various high power consumption industries to captive power plants in the states.

PTC entered into Agreements with SJVNL, NEEPCO and NHPC for sale of power from their plants in the power exchanges which was being regulated by them due to nonpayment of dues by the state utilities /distribution companies.

PTC provides its clients with a unique service of daily Power Status Report which includes information on price & volume of the power traded, weather forecast and system related information enabling the clients to schedule/plan their daily power requirements as also assist in predicting their power supply/demand in future on the basis of comprehensive details.

Long Term Agreements for Purchase of power

(A) Commissioned Projects

i. Power Projects commissioned before FY 2011 - 12

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

ii. Power Projects commissioned in FY 2011 - 12 and expected to be commissioned in FY 2012 - 13

• Pathadi Thermal Power Plant (Phase-II, 300 MW)

The Project being developed by M/s. Lanco Amarkantak Power Limited for Phase-II 300 MW has been commissioned. PTC has signed Power Sale Agreement with Haryana and presently 65% power from the Project is being supplied to Haryana through PTC.

• Simhapuri tolling project in Andhra Pradesh (200 MW)

Both Unit 1 and Unit 2 of 150 MW each have been successfully commissioned in May, 2012 and July, 2012 respectively. PTC has signed Power Tolling Agreement wherein the power plant would generate power using imported coal supplied by PTC and supply power to PTC. The project is developed by M/s. Simhapuri Energy Pvt. Ltd. Presently, PTC is selling the power in the short term market.

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

The Project is in advanced stage of construction and is expected to be commissioned during FY 2012-13. This power is under tolling concept wherein the power plant would generate power using imported coal supplied by PTC and supply power to PTC. The project is being developed by M/s. Meenakshi Energy Pvt. Ltd.



- **Malana – II in Himachal Pradesh (100 MW)**

The project developed by M/s. Everest Power Pvt. Ltd. has been commissioned in FY 2012-13. PTC has signed PPA for purchase of entire plant capacity with the developer and has also signed PSA for sale of entire capacity with State of Punjab.

- **Budhil HEP in Himachal Pradesh (70 MW)**

The project being developed by M/s. Lanco Budhil Hydro Power Pvt. Ltd. is in advanced stage of construction. It is expected to be commissioned in FY 2012-13. PTC has signed Power Sale Agreement with Haryana for sale of entire power.

- **Krishna Godavari thermal M/s project in Andhra Pradesh (60 MW)**

The project is being developed by M/s. Krishna Godavari Power Utilities Limited and is in advanced stage of construction. It is expected to be commissioned in FY 2012 -13.

- **Adhunik Power thermal project in Jharkhand (200 MW)**

The project is being developed by M/s. Adhunik Power & Natural Resources Limited and is in advanced stage of construction. It is expected to be commissioned in FY 2012 – 13. PTC has signed PSA with West Bengal for sale of 100 MW power from the project.

(B) Power Purchase Agreements finalized in 2011 - 12

During the year, PTC entered into Power Purchase Agreements with aggregate capacity of approximately 460 MW. Power from most of the projects is being offered for sale through Case – 1 bidding process being initiated by State Utilities and Discoms. Cumulative capacity for which PPAs have been signed at the end of the year is around 14,548.8 MW. The projects are based on domestic coal, imported coal, gas and hydro resources.

(C) Memorandum of Understanding / Agreement finalized in 2011 - 12

In addition to the above Projects, PTC has also signed MoUs/MoAs with number of Project developers for purchase of power aggregating to approximately 3242 MW. Cumulative MoUs/MoAs at the end of the year by PTC is around 14,625 MW based on domestic coal, imported coal, gas and hydro resources.

(D) Other Projects under consideration by PTC

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

Sale of Power

As per the Tariff Policy of Government of India, the long term power procurement by the SEBs/ DISCOMs has to be necessarily done through competitive bidding from 30th Sept, 2006 onwards. As such, sale of power to the State Utilities has to be through participation in the bidding process. Till now, PTC has participated in competitive bids invited by State Utilities/ Private Discoms like Bihar, UP, AP (Long term and Medium term), Reliance Infrastructure Ltd. and MP etc and has qualified for about 2000 MW aggregate capacity.

In addition to above, at present, PTC is working on bids for participation in others case- 1 tenders initiated by the State Utilities like Rajasthan for procurement of power.

During the year, PTC entered into Power Sale Agreement with West Bengal State Electricity Distribution Company Ltd. for 100 MW and Nepal Electricity Authority for 150 MW. Cumulative capacity covered in PSAs at the end of the year is around 5560 MW.

Business Development

The Electricity Act 2003 has envisaged provisions of Open Access, allowing Industrial Consumers across India to trade power from anywhere in India. However, the mechanism has not been implemented effectively in India

with only a few states allowing purchase and sale of power through Open Access.

Discerning the challenges faced by bulk consumers in meeting their power needs, the Ministry of Power has recently issued notifications stating that all consumers with load of 1 MW and above are deemed Open Access consumers, and States should implement Open Access allowing consumers to source power competitively.

PTC Retail, a new strategic business unit formed by PTC India in FY 2011-12, aims to facilitate industrial consumers across India in trading of power through Power Exchanges under Open Access mechanism. The inception of PTC Retail entails a focused operating strategy and a vision to emerge as a leader in Spot Market trading, which will further enhance PTC's trade volumes.

The SBU is already facilitating numerous clients including L&T Special Steels, FAG Bearings, DCM Shriram, Shakti Auto, Rajshree Polyfills, Gujarat Sidhee, etc. for trade of power through Power Exchanges.

With India vying for harnessing renewable energy for power consumption, CERC has laid necessary regulations and policies requiring respective State Regulators to fix Renewable Purchase Obligations (RPOs) mandating States to procure renewable power.

PTC India is aggregating solar power capacities and aiming to facilitate sale of solar power between project developers and State Utilities through competent trading arrangements. PTC India has signed MoUs with several project/solar park developers and aims to bundle potential solar capacities with thermal energy enabling the State Utilities to meet their Solar RPOs.

PTC is also exploring new business opportunities as in power distribution, tariff projections etc. under the ambit of PTC India's Services.

Energy Management Solutions

PTC has been able to make significant progress in the area of Energy Efficiency Management. Bureau of Energy Efficiency (BEE) had entrusted PTC earlier with seven energy efficiency projects in government Buildings including the President's Estate (under the initiative ROSHNI). Investment grade energy audits had been carried out and three facilities placed Letter of Intent (LOI) on your company for the implementation of energy cost saving measures. Of the three projects stated above, the President's Estate project has been concluded and others are in different stages of implementation. This model is supposed to be replicated on its success, in other areas of economy, based on market-based returns and committed performance. These projects would be in line with the National Mission on Energy Efficiency Enhancement (NMEEE), one of the eight Missions under the Prime Minister's National Action Plan on Climate Change (NAPCC). Through this endeavor, your company has been able to earn cumulative revenue of around Rs.75 lacs.

Human Resource

The key driver to your company's success has always been its people. The people processes have been developed to align them to the organization's strategic direction and business strategy. Any major change in market dynamics calls for change in human resource strategy. The strategic Human Resource Management delivers on planning and organizing for work and people. Some of the key processes being successfully managed are workforce planning, people acquisition and development, training and career management, performance management and compensation and benefits management, ESOP management, HRIS, payroll and timekeeping.

Industrial relations

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

Corporate Social Responsibility

We, at PTC, since inception, have endeavored to address social concerns and work to the benefit of the local communities. We have been undertaking

various socio-economic, educational and health initiatives which focus on the welfare of the economically and deprived sections of society. The Company facilitates programs and gives direct assistance to individuals, societies and other charitable organizations.

Employee Stock Option Scheme 2008

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

Disclosures stipulated under the SEBI Guidelines have been made.

Period of Vesting for PTC India Ltd.

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

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

Exercise Period for PTC India Ltd.

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

Period of vesting for PFS Ltd.

Options will vest over four years from the date of grant

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

Exercise Period for PFS Ltd.

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

Conservation of Energy & Technology Absorption

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

Foreign exchange earnings & outgo etc.

The Company has incurred an expenditure of Rs.1.52 Million (on accrual basis) in foreign exchange during the financial year 2011-2012. No foreign exchange was earned during the financial year.

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

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

During the Financial Year ending 2012, no employee was employed for full or part of the year, who was in receipt of remuneration, which in aggregate or as the case may be, at a rate which, in the aggregate was not less than

Rs. 60 lacs per annum or Rs. 5 lakh per month except the following employees the details of whom are given below:-

Name	Shri T. N. Thakur	Shri Deepak Amitabh
Designation	CMD	Whole- Time Director
Qualification	BSc. + Ex- IA&AS	MSc.+ Ex- IRS
Nature of Employment Whether contractual or otherwise	CMD	Whole Time Director
Nature of Duties of employees	Overall Managerial functions of company	Director (Finance)
Last employment held	Power Finance Corporation Ltd.	Government of India
Number of years of experience	39	28
Age	63	51
Date of commencement of employment (at Board Level)	11.10.2000	25.01.2008
Gross Remuneration (figures in Rs. Million)	11.88 Million	6.23 Million
No. of Equity Shares held (of Rs. 10/- each)	1,94,490	79,557
Whether Relative of a Director or Manager	No	No
Other terms and conditions of Employment	-	-

Auditors

Statutory Auditors

M/s K.G. Somani & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of your Company in the 12th Annual General Meeting of the Company and who will cease to be Statutory Auditors of the Company at ensuing Annual General Meeting and are eligible for reappointment.

The Statutory Auditors have audited the Accounts of the Company for the Year ended 31 March 2012 and Audited Accounts together with the Auditors' Report thereon are annexed to this report. The observations of the Auditors in their Report on Accounts read with the relevant notes to accounts are self-explanatory.

The Board recommends the appointment of M/s. K.G. Somani & Co. as the Statutory Auditors of the Company for the Financial Year 2012-2013 by the Shareholders in the 13th Annual General Meeting of the Company.

- Internal Auditors

M/s. Ravirajan & Co. Chartered Accountants, New Delhi were appointed as Internal Auditors of the Company for the Financial Year 2011-2012 and their reports for the year were submitted to the Audit Committee.

- Cost Auditors

The cost auditors of the Company for FY 11-12 for the 4 X 1.5 MW wind farm project of PTC is located at Sinnar, Nashik in Maharashtra are M/s. Ramanath Iyer & Company.

Subsidiary Companies

PTC India Financial Services Ltd. (PFS)

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

The operational and financial performance of PFS during the year 2011-12 has been quite robust and PFS maintained the growth momentum. During the year, PFS disinvested its equity stake in two companies viz. Ind-Barath PowerGencom Limited and Indian Energy Exchange Limited and realized a gain of Rs.1,272.43 million on such sale. The total revenues for the year



increased to Rs.3,071.99 million compared to Rs.1,088.52 million during the previous year, thus, recording a growth of 182%. The profit before tax increased by 292% during the current year to Rs.2,016.41 million from Rs.514.31 million in 2010-11 and the profit after tax recorded an increase of 316% during the current year and increased to Rs.1540.43 million from Rs.370.27 million during the year 2010-11. Earnings per share increased to Rs.2.74 during 2011-12 from Rs.0.85 in 2010-11. Excluding the gain on sale of investments, profit after tax grew 81% to Rs. 489.50 million during 2011-12 from Rs.270.50 million during 2010-11.

PFS sanctioned debts aggregating to Rs.36,923 million during 2011-12 compared to Rs.17,030 million sanctioned during the previous year. The level of disbursement of debt was Rs.6,241.75 million during the year compared to Rs.6,236.64 million during the previous year. There were disbursement requests aggregating to Rs.420.63 million outstanding as at 31st March 2012 and the amount in respect of such applications has been disbursed during current FY 2012-13. The total effective commitments for debt sanctioned as at 31st March, 2012 increased to Rs.58,601 million as against Rs.33,649 million as at 31st March 2011. There are "Nil" NPAs as at 31st March 2012.

During FY 2011-12, PFS executed external commercial borrowing (ECB) agreement with International Finance Corporation for long term loan of upto USD 50 million. As at 31st March 2012, PFS has ECB agreements for borrowing upto an aggregate of USD 76 million and against the same, it has borrowed sum of USD 26 million till 31st March 2012. Being an IFC, the Company also successfully raised Rs.1,596 million by way of secured long term tax saving infrastructure bonds carrying benefits under Section 80CCF of the Income Tax Act, 1961. During FY 2011-12, PFS also set its footprint outside India by sanctioning term loan to a hydro power project based in Nepal. The power generated by the hydro project would be evacuated to India through a cross border transmission line being executed by IL&FS and would assist in meeting the rising power demand in the northern part of the country.

PTC Energy Limited (PEL)

PTC Energy Limited (PEL), subsidiary of your company was set up in 2008 to undertake various activities related to business of power generation, import of coal and other allied works. During the year 2011-12, your company has contributed further equity of Rs. 140 million and total equity contribution in PEL stood at Rs. 550 million as at 31st March 2012.

The domestic availability of coal is the biggest challenge faced by the power sector. PEL has entered in to the fuel intermediation business to bridge the gap and has acquired a position of strength for tying up long term coal supply catering to the varying coal requirements of customers. PEL is engaged in purchase of imported coal and onward supply to power producers.

During the year 2011-12, PEL has purchased and sold 4.24 lakh MT of coal as against 2.80 lakh MT in FY 2010-11. PEL has earned a total income of Rs. 1625.96 million and Profit after tax of Rs. 28.81 million in FY 2011-12 as compared to total income of Rs. 938.25 million and Profit after tax of Rs. 12.71 million respectively in FY 2010-11.

PEL has also invested Rs. 234.0 million constituting 48% equity in RS India Global Energy Limited with a view to undertake joint development of wind farm in Tamil Nadu.

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

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

Accordingly, the Board of Directors in their meeting held on 30th May, 2012 has given their consent and passed the appropriate resolution for not attaching the copies of balance sheet, statement of profit & loss accounts and reports of the board of directors and auditors of subsidiaries with the

balance sheet of the Company. In terms of said circular, your Company has fulfilled the prescribed conditions and also made necessary disclosures in the Consolidated Balance Sheet and further undertakes that the Annual Accounts of the Subsidiary Companies and the related detailed information shall be made available to Shareholders of the Company interested in obtaining the same. As directed by the Central Government, the financial data of the subsidiaries has been furnished in the Annual Report of the Company. The Annual Accounts of Company including that of Subsidiaries will be kept for inspection during business hours at the Registered office of the Company and of the respective Subsidiary Company. Further, pursuant to Accounting Standard-21 (AS-21), Consolidated Financial Statements presented by the Company include financial information about its subsidiaries.

Investment in other Companies (Amount Released up to March, 2012)

1. Your Company has earlier executed Equity Subscription Agreement (ESA) for investment in Athena Energy Ventures Pvt. Ltd. (AEVPL). As of now PTC has released Rs. 1500 Million and the other investors of this Company are Athena Group, IDFC and IFCI.
2. Your Company has earlier executed Equity Subscription Agreement (ESA) for investment in Krishna Godavari Power Utilities Limited upto Rs. 400 Million and as of now PTC has released Rs. 375.53 Million (including 180.50 Million for share application money).
3. Teesta Urja Limited is developing 1200 MW Teesta-III Hydro Electric Project in the State of Sikkim. Your Company has acquired 11% subscribed equity in Teesta Urja Limited and has released Rs. 1414 Million.
4. Your Company has also formed a Joint Venture Company i.e. Chenab Valley Power Projects Private Limited (CVPPPL) with NHPC and JKSPDC and as of now PTC has released Rs. 1 Million.

Directors' Responsibility Statement

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

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed by PTC along with proper explanation relating to material departures;
2. The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2012 and of the profit of the Company for that period;
3. Proper and sufficient care had been taken by the Directors for maintenance of adequate Accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities and
4. The Annual Accounts had been prepared on a going concern basis.

Report on Corporate Governance

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

Company's philosophy on the code of governance

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

with the statutory obligations, but also to center around following the spirit underlying the same.

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

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

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

1. Board of Directors

(A) Composition of Board

The composition of Board of Directors is in conformity with the Clause 49 of Listing Agreement, as amended from time to time. The Board of Director(s) along with its Committee(s) provide leadership and guidance to the Company's management and directs, supervise and controls the performance of the company. The Board of Director(s) of the Company comprises of distinguished personalities, who have been acknowledged in their respective fields. As on the end of Financial Year 2011-12, the Board comprises of 14 Directors out of which 2 are Executive Directors and 12 are Non-Executive Directors, more than 50% of total number of Directors are Independent Directors. The Company is headed by CMD.

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

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

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

- * Shri Ravi P. Singh, has been appointed on the Board of the Company w.e.f. 03rd April, 2012

(B) Non- executive Directors compensation and disclosures

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

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

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

(C) Other provisions as to Board and Committees

(i) Details of Board Meeting held during the Financial Year 2011-2012

During the financial year ended 31st March 2012, the Board met Seven (7) times as against the minimum requirement of four Board Meetings. The details of the Board Meeting are as under :-

Sr. No.	Date	Board strength	Number of Directors present
1	15 th April, 2011	14	13
2	9 th May, 2011	14	10
3	8 th August, 2011	14	10
4	9 th November, 2011	12	8
5	31 st January, 2012	15	12
6	13 th February, 2012	15	12
7	22 nd March, 2012	15	12

ii) Directors Attendance Record and Directorship in other companies as on 31st March, 2012

Sr. No	Name of the Director	Board Meetings in FY 11-12	Attendance at Last AGM (held on 28.09.2011)	No. of other Directorships held as on 31 st March, 2012	No. of other committee Membership as on 31 st March, 2012	
		Held during the Tenure	Attended			
1	Shri T. N. Thakur	7	7	Y	4	Nil
2	Shri Deepak Amitabh	7	7	Y	3	3
3	Smt. Rita Acharya	3	1	N.A	1	Nil
4	Shri Akhilesh Mishra	4	1	N	2	Nil
5	Shri A.B.L. Srivastava	7	4	N	3	1
6	Shri M.K. Goel	7	4	N	10	1
7	Shri I.J. Kapoor	7	6	N	6	1
8	Shri S. Balachandran	7	6	N	3	3
9	Shri Hemant Bhargava	7	5	N	Nil	Nil
10	Shri Ved Jain	7	6	N	6	5
11	Shri Dipak Chatterjee	7	7	N	1	Nil
12	Shri Anil Razdan	3	3	N.A.	6	3
13	Shri Dharendra Swarup	3	3	N.A.	3	2
14	Shri H.L. Bajaj	3	3	N.A.	Nil	Nil
15	Shri V.M. Kaul	4	4	N.A	N.A.	N.A.



16	Shri Satish Mehta	3	0	N	N.A.	N.A.
17	Shri Sudhir Kumar	4	2	N	N.A.	N.A.
18	Shri R.N. Nayak	3	3	N	N.A.	N.A.
19	Shri D.P. Bagchi	3	3	Y	N.A.	N.A.
20	Shri P. Abraham	3	2	N	N.A.	N.A.

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

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

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

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

At the last AGM Twelve Thousand Six Hundred and Forty Seven (12,647) members (including proxies) holding 31026116 number of equity shares recorded presence during the meeting.

(iii) Changes in Directorship of the Company in FY 11-12

During the Financial Year 2011-2012, 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 Akhilesh Mishra	Joined	8 th August, 2011
2	Shri V.M. Kaul	Joined	17 th October, 2011
3	Smt. Rita Acharya	Joined	03 rd January, 2012
4	Shri Anil Razdan	Joined	09 th January, 2012
5	Shri Dharendra Swarup	Joined	09 th January, 2012
6	Shri H.L. Bajaj	Joined	09 th January, 2012
7	Shri Satish C Mehta	Cease	18 th July, 2011
8	Shri R.N. Nayak	Cease	11 th October, 2011
9	Shri Sudhir Kumar	Cease	30 th November, 2011
10	Shri D.P. Bagchi	Cease	28 th September, 2011
11	Shri P. Abraham	Cease	28 th September, 2011
12	Shri V.M. Kaul	Cease	31 st March, 2012

* Shri Akhilesh Mishra ceased to be Director w.e.f 19th July, 2012.

The Board places on record its deep appreciation for the valuable contribution made by S/Shri Sudhir Kumar, Satish C. Mehta, R.N. Nayak, D.P. Bagchi, P. Abraham, and V.M. Kaul members of the Board, who cease to be Directors of the Company in FY 2011-12.

Further, Shri Ravi P. Singh (Nominee Director of PowerGrid Corporation of India Limited) has joined w.e.f. from 3rd April, 2012.

(D) Board Procedure

(i) Decision making process

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

meetings of Board, in well informed and proficient manner.

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

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

(F) Follow-up mechanism

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

2. Committees of the Board of Directors

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

- Audit Committee
- Remuneration / Compensation (ESoP) Committee
- Investor Grievance Committee

- Nomination Committee
- Ethics And Compliance Committee
- Group of Directors for Business Development

2.1 Audit Committee

a) Composition

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

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

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

The Company Secretary acted as the Secretary of the Committee.

b) Terms of Reference

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

- Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment or removal of the statutory auditor and the fixation of audit fees.
- Reviewing with management the periodical financial statements before submission to the Board for approval, with particular reference to (i) changes in accounting policies and practices, (ii) major accounting entries involving estimates based on exercise of judgment by management, (iii) qualifications in draft audit report (if any), (iv) significant adjustments made in financial statements arising out of the audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with listing and other legal requirements concerning financial statements, (viii) Disclosures of any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large;
- Reviewing with the management performance of statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- Reviewing the adequacy of internal audit functions;
- Discussion with internal auditors any significant findings and follow-up thereon;
- 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.
- 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.
- 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.
- Any other work as may be assigned by the Board of Director(s) of the Company from time to time.

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

c) Number of Committee Meetings and Attendance

The Committee met four (4) times in the FY 2011-2012. Meetings of the Committee were held on 6th May, 2011, 8th August, 2011, 9th November 2011, 30th January, 2012.

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

Note:-

Shri D.P. Bagchi, Director has ceased to be member of Audit committee consequent to his cessation to be Director w.e.f. 28th September, 2011.

Shri D.P. Bagchi, then Chairman of the Committee was present at the last AGM of the Company.

Shri Dipak Chatterjee and Shri D. Swarup has joined the committee w.e.f. 9th November, 2011 and 22nd April, 2012 respectively.

2.2 Remuneration/Compensation (ESoP) Committee

a) Terms of Reference

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

b) Composition and meetings

Presently this Committee comprise of following Directors:

Sr. No.	Name of Director
1	Shri S. Balachandran
2	Shri A.B. L. Srivastava
3	Smt. Rita Acharya
4	Shri Dipak Chatterjee
5	Shri H.L. Bajaj

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

(c) Detail of Remuneration to Executive Directors of the Company during FY 2011-2012



The remuneration paid to the Whole-time Directors during the year 2011-2012 is as under:

Sr. no.	Director	Designation	Remuneration (figures in Rs. million)- FY 11-12
1.	Shri T.N. Thakur	CMD	11.88
2.	Shri Deepak Amitabh	Director	6.23

CMD and Whole-time Directors have surrendered their Stock options of PTC and PFS. The entire CTC of CMD and WTDs is fixed component. Notice period of CMD and WTDs is 3 months.

d) **Detail of payment made towards sitting fee to the Non- Executive Directors for Board/ Committee Meeting during the year 2011-2012 is as under:**

Sr. no.	Name of the Director	Designation	Remuneration (figures in Rs. million)- FY 11-12
1	Shri I.J. Kapoor*	Non- Executive	0.16
2	Shri M.K. Goel*	Non- Executive	0.08
3	Shri A.B.L. Srivastava*	Non- Executive	0.14
4	Shri S. Balachandran	Non- Executive	0.24
5	Shri Hemant Bhargava*	Non- Executive	0.18
6	Shri Ved Jain	Non- Executive	0.22
7	Shri Dipak Chatterjee	Non- Executive	0.22
8	Shri Anil Razdan	Non- Executive	0.06
9	Shri Dharendra Swarup	Non- Executive	0.06
10	Shri H.L. Bajaj	Non- Executive	0.06
11	Shri D.P. Bagchi	Non- Executive	0.16
12	Shri P. Abraham	Non- Executive	0.06

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

2.3 Investor's Grievance Committee

a) Composition

The Committee comprises of following Non- Executive Independent Directors:

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

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

b) Name & Designation of Compliance Officer

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

c) Terms of Reference

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

d) Investors Complaints received and resolved during the year

During the year under review, 104 complaints [including two pending

complaints of 31.03.2011 were received, out of which 104 were resolved and no complaints were pending at the end of the financial year 2011-12.

Given below is a table showing reduction in investor complaints.

Sr. No.	Year	Number of Complaints Received
1	2011-12	104
2	2010-11	159
3	2009-10	257

2.4 Nomination Committee

a) Composition

The Committee presently comprises of following Directors:-

Sr. No.	Name of the Director
1	Shri T.N. Thakur
2	Smt. Rita Acharya
3	Shri A.B.L. Srivastava
4	Smt. I.J. Kapoor
5	Shri S. Balachandran
6	Shri Dipak Chatterjee
7	Shri Anil Razdan
8	Shri Dharendra Swarup

b) Compliance Officer and Meeting

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

c) Terms of Reference

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

2.5 Code of Ethics & Prohibition of Insider Trading Committee

Composition

Presently this committee comprises of following Directors :-

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

The Committee is chaired by Independent Director.

Shri S.S. Sharma, Executive Vice President of the Company acts as the Compliance officer under the 'Code of Conduct for prevention of Insider Trading and Code of Corporate Disclosure Practices' of PTC. The Committee meets as per the requirements.

* Consequent to the cessation of Shri D.P. Bagchi and Shri P. Abraham as Director of the Company in the last AGM, this committee was reconstituted.

2.6 Committee of Group of Directors for Business Development

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

Sr. No.	Name of Director
1	Shri T.N. Thakur
2	Shri A.B.L. Srivastava
3	Shri I.J. Kapoor
4	Shri Ravi P. Singh
5	Shri S. Balachandran

6	Shri Anil Razdan
7	Shri Dharendra Swarup
8	Shri Ved Jain

The Group meets as per the requirement.

Procedure at Committee Meetings

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

3. Disclosures

There are no material significant transactions with related parties except those mentioned in the Annual Accounts for the FY 11-12 conflicting with the Company's interest. There was also no instance of non-compliance on any matter related to the Capital Markets during the last years. The information related to the Company is also available at Company's web-site www.ptcindia.com. The proceeds of the public issue have been used for the purpose(s) for which it was raised.

4. Code of conduct for Directors and Senior Management

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

5. Code for prevention of Insider Trading

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

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

Declaration require under Clause 49 of the Listing Agreement

All the members covered under the "Code of Business Conduct and Ethics for Board Members and Senior Management" have affirmed with the said code for the Financial year 2011-12.

Sd/-

Tantra Narayan Thakur
Chariman & Managing Director

6. Subsidiary Monitoring Framework

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

- 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 subsidiary companies are placed before the Company's Board on regular basis.
- The Company has nominated Shri Ved Jain, Independent Director on the Board of PTC India Financial Services Limited (PFS) and Shri S. Balachandran, Independent Director on the Board of PTC Energy Limited (PEL).

7. General Body Meetings

Annual General Meeting (AGM)

Financial Year	Date of the Meeting	Time of the Meeting	Venue of the Meeting	Special resolutions passed
2010-2011	September 28 th , 2011	4:00 P.M.	Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalya No.-2, Delhi Cant. New Delhi-110010	1
2009-10	September 23 rd , 2010	11:00 P.M.	FICCI Golden Jubilee Auditorium Federation House, Tansenmarg, New Delhi.	1
2008-09	September 23 rd , 2009	04:00 P.M.	Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi	1

8. Special Resolution and Postal Ballot

No resolution has been passed through postal ballot during the financial year 2011-12. None of the business proposed to be transacted in the ensuing AGM require passing a special resolution through Postal Ballot. No Extra ordinary General Meeting was held during the year.

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

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

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

10. Means of communication & website

- Quarterly/Annual financial Results:** Quarterly/ Annual Financial Results of the Company are generally published in One English and One Hindi News Paper and are displayed on the Company's website www.ptcindia.com.
- Website:** The Company's website www.ptcindia.com contains a separate dedicated section 'Investor Relations' where shareholders information is available.
- 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 there to and is displayed on the Company's website: www.ptcindia.com

11. CFO/CEO Certification

As required by clause 49 of the Listing Agreement, a Certificate duly signed by Shri T.N. Thakur, Chairman & Managing Director and Shri Deepak Amitabh, Director (Finance) was placed before the Board of Directors in its meeting dated 30th May, 2012, while consideration of Annual Accounts for the period ended 31st March, 2012.

12. General Shareholders Information

a) Annual General Meeting (AGM)

Meeting No.	13 th
Date	21 st September, 2012
Time	04:30 P.M.
Venue	FICCI 1, Foundation House, tansen Marg, New Delhi- 110001



b) Financial Calendar for year ended 31st March, 2012.

Particulars	Date
1. Financial Year	1 st April, 2011 to 31 st March, 2012
2. Un- audited Financial Results for first three Quarters	Announcement in compliance with Listing Agreement
3. Annual Financial Results	Announcement in compliance with Listing Agreement

c) Tentative Financial Calendar for year ended 31st March, 2013.

Particulars	Date
1. Financial Year	1 st April, 2012 to 31 st March, 2013
2. Un- audited Financial Results for first three Quarters	Announcement will be in compliance with the Listing Agreement
3. Annual Financial Results	Will be announce and published with In 60 days from the end of each year

d) Appointment/ Re-appointment of Directors

In accordance with the provisions of Companies Act, 1956 and Articles of Association of the Company, S/Shri M.K. Goel and S. Balachandran, retires by rotation at the ensuing Annual General Meeting of your Company, and being eligible, offers himself for re-appointment.

Smt. Rita Acharya, S/Shri Ravi Prakash Singh, Anil Razdan, Dharendra Swarup & H.L. Bajaj presently Additional Director, are proposed to be appointed as a Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting.

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

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

e) Payment of Dividend

- Final Dividend details for financial year 2011-2012

The Board of Directors in its meeting held on 30th May, 2012 has recommended a dividend @ 15% i.e. Rs. 1.50/- Equity Share (on the face value of Rs. 10/- each) for the financial year 2011-2012, 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 (Rs. in Crore)	Rate of Dividend
1	2010-2011	2949735710	15%
2	2009-2010	2945474010	12%
3	2008-2009	2274190000	12%
4	2007-2008	2274190000	10%
5	2006-2007	1500000000	10%

f) Book Closure

The book closure dates of the Company were from 17th September, 2011 to 28th September, 2011 both days including for the purpose of payment of dividend for the FY 2010-11.

g) Pay- out Date for Payment of Final Dividend

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

h) Unclaimed Dividend

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

Year	Type	Dividend Per Share (Rs.)	Date of Declaration	Amount (Rs.)
2004-05	Final	0.8	28 th September, 2005	1152031.20
2005-06	Final	1.0	18 th July, 2006	525411.00
2006-07	Final	1.0	28 th September, 2007	538631.00
2007-08	Final	1.0	6 th August, 2008	918307.00
2008-09	Final	1.2	23 rd September, 2009	1159628.40
2009-10	Final	1.2	23 rd September, 2010	714988.00
2010-11	Final	1.5	28 th September, 2011	1260212.00

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

Pursuant to provisions of Section 205(A)(5) of Companies Act, 1956, the declared dividend for FY03-04 amounting to Rs. 1263167/- and which remain unclaimed/unpaid for the period of seven years has been transferred by the Company to Investor Education Provident Fund (IEPF), established by Central Government.

j) Listing on Stock Exchanges and stock codes

The Company's Shares are listed on following Stock Exchanges

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

k) Listing Fees

Annual Listing Fee for 2012-2013 (as applicable) has been paid by the Company to both the Stock Exchanges.

l) Market Price Data

The High/Low of the market price of the Company's equity shares traded on Bombay Stock Exchange and National Stock Exchange, during the financial year ended 31st March 2012 were as follows:

Month	BSE		NSE	
	High	Lo	High	Low
April -11	96.2	83.75	96.9	80.6
May -11	92.25	76	92.3	68.05
June -11	85.65	68.5	85.75	68
July -11	85.95	76.1	86.2	76
August -11	79.35	66	79.3	66.2
September -11	76.65	66.3	76.8	66.25
October -11	72.2	67	72.5	66.9
November -11	75.8	45.35	75.9	45.3
December -11	52.65	38.1	52.6	38.35
January -12	53.25	39.2	53.25	39.25
February -12	68.25	45.6	68.25	45.25
March -12	65.05	52.6	65	52.5

m) Registrar & Share Transfer agent

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

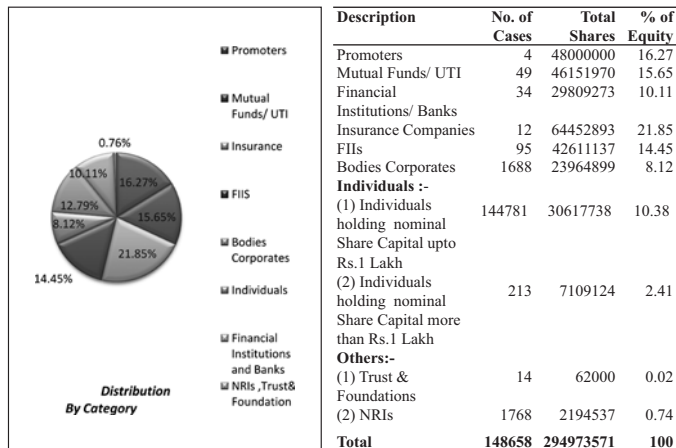
n) Share Transfer System

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

Further pursuant to clause 47(c) of the Listing Agreement with the stock Exchanges, Certificate on half yearly basis confirming the due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

o) Distribution of shareholding as on 31st March, 2012

- Distribution by Category



- Distribution by size

Range of Equity Shares held	Folios	% of Shareholders	Total No. of Shares	% of Shares
1 - 500	136833	92.0455	16305986	5.5279
501 - 1000	6529	4.3920	5330954	1.8073
1001 - 2000	2749	1.8492	4202512	1.4247
2001 - 3000	846	0.5691	2177960	.7384
3001 - 4000	393	0.2644	1414632	.4796
4001 - 5000	306	0.2058	1448812	.4912
5001 - 10000	454	0.3054	3450858	1.1699
10001 - 50000	356	0.2395	7639940	2.5900
50001 - 100000	56	0.0377	4018371	1.3623
100001-Above	136	0.0915	248983546	84.4088
Total	148658	100.00	294973571	100.00

Nominal Value of each Share is Rs.10/-

p) Dematerialization of shares

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

Reconciliation of Share Capital Audit Report for the Quarter ended 31st March, 2012, 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, 2012, was obtained from Practicing Company Secretary and submitted to the Stock Exchanges within stipulated time.

Number of Shares held in Dematerialized and physical mode as on 31st March, 2012:

Category	No. of Holders	No. of Shares	% of total Shares Issued
Physical	7953	10028676	3.40
NSDL	102041	260738297	88.40
CDSL	38664	24206598	8.20
Total	148658	294973571	100

q) Shares Liquidity

The trading volumes at the Stock Exchanges, during the financial year 2011-2012, are given below:

Months	National Stock Exchanges of India Limited	Bombay Stock Exchange Limited
	Number of Shares Traded	Number of Shares Traded
April, 2011	23056334	4649476
May, 2011	20262756	3594106
June, 2011	13522231	2619149
July, 2011	22836583	4600237
August, 2011	17979145	3300679
September, 2011	13290555	2405612
October, 2011	7854920	1561097
November, 2011	31871838	6429384
December, 2011	25701789	6440769
January, 2012	37736787	10936018
February, 2012	59875618	14201907
March, 2012	31318389	7183329

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

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

s) Investor Correspondence

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

t) Compliance Certificate from the Practicing Company Secretary

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

u) Corporate Identity Number

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

v) Adoption of Non- Mandatory requirements of clause 49

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

Sr. No.	Non- Mandatory Provisions	Status/ Extent
1	(a) Maintenance of Non-Executive Chairman's Office	Not Applicable as Chairman is Executive and also the Managing Director of the Company
	(b) Independent Director's tenure not to exceed nine years in aggregate.	None of Independent Director has been appointed for a period exceeding 9 years.
2	Remuneration Committee	Already Constituted. Details given elsewhere in this report
3	Half-yearly financial performance and summary of significant events may be sent to shareholders	This information is available on Company's website.
4	Audit Qualifications	Auditors have given unqualified report for FY ended 31 st March, 2012.
5	Training of Board Members	Company arranges meetings/ programmes in this regard from time to time.
6	Mechanism for evaluating Non-Executive Board Members	All Non- Executive Board Members of the Company are experts and have vast experience in their respective fields.
7	Whistle Blower Policy	Not Adopted

Acknowledgments

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

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

For and on behalf of the Board of Directors

Sd/-
(Tantra Narayan Thakur)
Chairman & Managing Director
DIN: 00024322

Place: New Delhi
Date: 13th August, 2012

Details in respect of the PTC India Limited Employees Stock Option Scheme pursuant to Clause 12 of SEBI (Employees' Stock Option Scheme and Employees' Stock Purchase Scheme) Guidelines, 1999 as on 31.03.2012.

Sr. No.	Description	Particulars of Employee Stock Option Scheme -2008 :-1 st tranche		Particulars of Employee Stock Option Scheme -2008 :-2 nd tranche
A.	Options granted	4,548,380 Options were granted to the employees and Directors of Company on August 21, 2008		1705643 options were granted to the employees and Directors of the Company on July 22 nd , 2009
B	Pricing formula	Category of Participants	Exercise Price	75% of the market price on date of grant
		Category I (who joined the Company or the Group on or before March 31, 2003)	Rs. 10, being higher of the following: Rs. 8.58, being 10% of Market Price, or Rs. 10	
		Category II (who joined the Company or the Group between April 01, 2003 to March 31, 2006)	Rs. 25.73, being higher of the following Rs. 25.73, being 30% of Market Price, or Rs. 10	
		Category III (who joined the Company or the Group on or after April 01, 2006 onwards)	Rs. 42.88, being higher of the following Rs. 42.88, being 50% of Market Price, or Rs. 10	
C	Options vested	1378827		248216
D	Options exercised	794757		94214
E	The Total number of Shares arising as a result of exercise of Options	794757		94214
F	Options lapsed	2574273		923274
G	Variation of terms of Options	Nil		Nil
H	Money realized by exercise of Options	Rs. 15.02 Million		Rs. 6.05 Million
I	Total number of Options in force	1179350		688155
J	Details of options granted to :			
	i) Senior Managerial Personnel :	Sh. T.N. Thakur *Sh. Shashi Shekhar Sh. Deepak Amitabh Sh. Ashok Haldia. Shri Arun Kumar *ceased to be Director last year Out of the above, following Directors have surrendered their options as per details below:- Sh. T.N. Thakur-9,84,300 Sh. Shashi Shekhar-5,20,500 Sh. Deepak Amitabh-449213 Sh. Ashok Haldia- (PFS)2,00,000	1,158,000 520,500 528,380 2,00,000 3,00,000	317258 119651 119651 92470 79,737 Following Directors have surrendered all of their unexercised options:- Sh. T.N. Thakur Sh. Shashi Shekhar Sh. Deepak Amitabh Sh. Ashok Haldia (PFS)
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Same as (i) above	Same as (i) above	Same as (i) above
iii) Identified employees who were granted option during any one year, equal to or exceeding 1% of the issue capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil			

Sr. No.	Description	Particulars of Employee Stock Option Scheme -2008 :-1 st tranche	Particulars of Employee Stock Option Scheme -2008 :-2 nd tranche			
K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 Earnings Per Share.	Rs. 4.07 per share				
L	i) Method of calculation of employee compensation cost.	The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for stock-based compensation cost for the financial year 2011-12.	The Company has calculated the employee compensation cost using the intrinsic value method of accounting to account for stock-based compensation cost for the financial year 2011-12			
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options.	Employee Compensation Cost is lower by 3.53 Million				
	iii) The impact of this difference on Profits and on EPS of the Company.	The effect of adopting the fair value method on the net income and earnings per share is presented below:				
			Rs. in mn.			
		Net Income as reported	1203.66			
		Add: Intrinsic value Compensation cost	9.92			
		Less: Fair value compensation cost (as per Black Scholes) On the basis of Fair Valuation Method	13.45			
		Adjusted Net Income	1200.13			
		Earning Per Share (Rs.)		Basic	Diluted	
		As reported		Rs. 4.08	Rs. 4.07	
		As adjusted		Rs. 4.07	Rs. 4.06	
M	Weighted average exercise price and weighted average fair value of Options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	- Weighted average exercise price of options outstanding : Rs. 36.49 - Weighted average fair value of first tranche : Rs. 66.18	- Weighted average fair value of second tranche : Rs. 46.45			
N.	A description of the method and significant assumptions used during the year to estimate the fair values of options	The fair value of each options estimated using the Black Scholes Options Pricing Model after applying the following key assumptions (weighted values)				
		(i)	9.10%	Risk free interest rate	6.80%	
		(ii)	6 years	Expected life	6 years	
		(iii)	67.53%	Expected volatility	52.04%	
		(iv)	1.23%	Expected dividend	1.47%	
		(v)	Rs. 81.35	The price of the underlying shares in market at the time of option grant	Rs. 81.90	



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by PTC India Limited, for the year ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

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

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

For Ashish Kapoor & Associates
Company Secretaries

Sd/-
Ashish Kapoor
Proprietor
CP No. 7504

Place: New Delhi
Date: 13th August, 2012

CEO & CFO CERTIFICATE

Audited results for the year ended March, 2012.

- a. We have reviewed financial statements and the cash flow statement for the year ended March, 2012 and that to the best of our knowledge and belief:-
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there were no instance of :-
 - i) Significant changes in internal control during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Sd/- CEO

Sd/- CFO

Dated : 30th May, 2012
Place : New Delhi

AUDITOR'S REPORT

TO THE MEMBERS OF PTC INDIA LIMITED

1. We have audited the attached Balance Sheet of PTC INDIA LIMITED as at March 31, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditors' Report) Order, 2003 (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable to the Company.
 4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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 such books.
- (iii) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement referred to in the report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement, dealt with by this report comply with the accounting standards referred to in Section 211(3) (c) of the Companies Act, 1956 to the extent applicable;
 - (v) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement read together with significant accounting policies and notes on the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K.G. SOMANI & CO.
Chartered Accountants
Firm Registration No.: 006591N
(Bhuvnesh Maheshwari)
Partner
M. No. 088155

Place: New Delhi
Date: 30th May 2012

ANNEXURE TO THE (AUDITOR'S REPORT) Order, 2003 (REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE ACCOUNT OF PTC INDIA LIMITED FOR THE YEAR ENDED ON 31ST MARCH 2012

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the explanations given to us, all the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the Company and the nature of its assets and no material discrepancy was noticed on such verification as compared to book records.
- c) The Company has not disposed off substantial part of the fixed assets during the year.
- ii. a) The management has conducted physical verification of inventory at the year end.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4 (iii) (a), (b), (c) and (d) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(iii) (e), (f) and (g) of the Companies (as amended) are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. According to the information and explanations given to us, the company has not entered into any contract or arrangement with the Companies or Entities covered u/s 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4 (v) (a) and (b) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. Accordingly,

- the provisions of clause 4 (vi) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the records maintained by the Company for generation of power pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate and complete.
- ix. a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities.
 b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 c) According to the information and explanations given to us, the dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of a dispute and the forum where the dispute is pending are as follows:
- | Statute | Nature of Dues | Period to which the amount relates | Amount involved (Rs. in Millions) | Forum where the dispute is pending |
|----------------------|----------------|------------------------------------|-----------------------------------|------------------------------------|
| Income Tax Act, 1961 | Income Tax | AY 2008-09 | 13.98 | ITAT |
| Income Tax Act, 1961 | Income Tax | AY 2009-10 | 24.97 | Commissioner of Income Tax Appeals |
- x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The Company does not have any loan from any financial institution and has not issued any debentures.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4 (xii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi or mutual benefit fund or society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 4(xv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, during the year the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(xviii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xix. The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xx. The Company has not raised any money through a public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xxi. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For K.G. SOMANI & CO.
Chartered Accountants
Firm Registration No.: 006591N

(Bhuvnesh Maheshwari)
Partner
M. No. 088155

Place: New Delhi
Date: 30th May 2012



Balance Sheet as at 31st March, 2012

(₹ in mn)

S.No.	Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
I.	EQUITY AND LIABILITIES			
(1)	Shareholders' funds			
	(a) Share capital	2	2,949.74	2,949.74
	(b) Reserves and surplus	3	19,551.41	18,852.06
			22,501.15	21,801.80
(2)	Non-current liabilities			
	(a) Deferred tax liabilities (net)	4	62.79	74.46
	(b) Long-term provisions	5	22.48	24.66
			85.27	99.12
(3)	Current liabilities			
	(a) Trade payables	6	12,581.88	5,262.08
	(b) Other current liabilities	7	361.05	440.73
	(c) Short-term provisions	8	590.40	517.70
			13,533.33	6,220.51
	Total		36,119.75	28,121.43
II.	ASSETS			
(1)	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	334.93	371.33
	(ii) Intangible assets	10	6.27	9.02
	(b) Non-current investments	11	8,235.03	7,776.53
	(c) Long-term loans and advances	12	68.17	26.13
			8,644.40	8,183.01
(2)	Current assets			
	(a) Current investments	13	0.41	2,750.18
	(b) Inventories	14	414.50	-
	(c) Trade receivables	15	25,810.06	9,778.91
	(d) Cash and bank balances	16	458.24	6,877.38
	(e) Short-term loans and advances	17	788.16	431.29
	(f) Other current assets	18	3.98	100.66
			27,475.35	19,938.42
	Total		36,119.75	28,121.43

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

1

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date: May 30, 2012

Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)

Director

DIN 01061535

(Tantra Narayan Thakur)

Chairman & Managing Director

DIN 00024322

(Rajiv Maheshwari)

Company Secretary

Statement of Profit and Loss for the Year Ended 31st March, 2012

(₹ in mn)

S.No.	Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
I.	Revenue from operations	19	76,502.75	89,985.87
II.	Other income	20	504.96	615.24
III.	Total Revenue (I + II)		77,007.71	90,601.11
IV.	Expenses:			
	Purchases of electricity		74,388.97	87,461.40
	Rebate on sale of power		376.95	909.41
	Cost of coal consumed	21	-	-
	Employee benefits expense	22	119.00	69.58
	Finance costs	23	259.72	11.23
	Depreciation and amortization expense	9 & 10	44.63	50.34
	Other expenses	24	164.10	132.76
	Total expenses		75,353.37	88,634.72
V.	Profit before exceptional, prior period items and tax (III-IV)		1,654.34	1,966.39
VI.	Exceptional items	25	2.66	1.67
VII.	Profit before prior period items and tax (V +VI)		1,657.00	1,968.06
VIII.	Prior period items	26	1.22	0.09
IX.	Profit before extraordinary items and tax (VII - VIII)		1,655.78	1,967.97
X.	Tax expense:			
	-Current tax		463.79	597.97
	-Deferred tax (net)		(11.67)	(15.19)
XI.	Profit for the year after tax (IX-X)		1,203.66	1,385.19
XII.	Earnings per equity share	27		
	(1) Basic (₹)		4.08	4.70
	(2) Diluted (₹)		4.07	4.68

Summary of significant accounting policies
The accompanying notes are integral part of the financial statements

1

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)
Partner
M.No.088155

Date: May 30, 2012
Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)
Director
DIN 01061535

(Tantra Narayan Thakur)
Chairman & Managing Director
DIN 00024322

(Rajiv Maheshwari)
Company Secretary

Cash Flow Statement for the Year Ended 31st March, 2012

(₹ in mn)

Particulars	For the Year ended 31.03.2012	For the Year ended 31.03.2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	1,655.78	1,967.97
Adjustment for:		
Depreciation and amortization	44.63	50.34
ESOP expenses	9.92	(44.89)
Provision for investment	0.10	0.50
Loss on sale of fixed assets	0.28	0.38
Investment written off	0.85	-
Excess provision written back	(2.94)	(2.05)
Foreign exchange fluctuation	(3.19)	-
Finance cost	259.62	11.23
Dividend Income	(28.48)	(176.67)
Interest Income	(198.62)	(415.55)
Rental Income	(12.74)	(7.87)
Profit on sale of investment	(259.81)	(14.32)
Operating profit before working capital changes	1,465.40	1,369.07
Adjustment for:		
Inventories	(414.50)	-
Trade receivables	(16,031.15)	(4,468.70)
Loans and advances	(361.51)	(56.76)
Current liabilities	7,245.77	2,231.16
Provisions	1.70	13.35
Cash generated/(used) from operating activities	(8,094.29)	(911.88)
Direct taxes paid (net)	(432.36)	(561.25)
Net cash generated/(used) from operating activities (A)	(8,526.65)	(1,473.13)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	295.30	390.60
Dividend received	28.48	176.67
Rent received	12.74	7.87
Purchase of fixed assets	(5.83)	(5.87)
Sale of fixed assets	0.07	0.40
Sale/ (Purchase) of investments in associates	(202.50)	(817.50)
Sale/ (Purchase) of investments in subsidiaries	(140.00)	-
Sale/ (Purchase) of investments in joint venture	(0.10)	-
Sale/ (Purchase) of investments (net)	2,633.42	(949.59)
Decrease/(Increase) in term deposits	3,226.91	2,752.62
Net cash generated/ (used) in investing activities (B)	5,848.49	1,555.20
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of additional Shares (including share premium net of expense)	-	13.36
Finance cost paid	(259.58)	(11.35)
Dividend paid (including dividend tax)	(514.27)	(418.38)
Cash flow generated/(used) from financing activities (C)	(773.85)	(416.37)
Net increase/ (use) in cash and cash equivalents (A+B+C)	(3,452.01)	(334.30)
Cash and cash equivalents (opening balance)	3,904.07	4,238.37
Cash and cash equivalents (closing balance)	452.06	3,904.07

Notes:

1. Cash and cash equivalents include

Cash on hand (including foreign currency)	0.19	0.13
Current accounts	249.87	1,621.44
Term deposits (original maturity period upto 3 months)	202.00	2,282.50
Cash and cash equivalents at the year end (a)	452.06	3,904.07

Other bank balances

-Term deposits (original maturity period more than 3 months)	-	2,967.10
-Dividend accounts	6.18	6.21

Other bank balances at the year end (b)

	6.18	2,973.31
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Cash and bank balances at the year end (a)+(b)

	458.24	6,877.38
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2. Cash and cash equivalents include term deposits of Nil (Previous year ₹ 310 mn) which have been pledged with banks.

3. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Companies (Accounting Standards) Rules, 2006.

4. Figures in bracket indicate cash outflow.

5. Previous year's figures have been rearranged/regrouped/reclassified wherever necessary.

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date: May 30, 2012

Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)

Director

DIN 01061535

(Tantra Narayan Thakur)

Chairman & Managing Director

DIN 00024322

(Rajiv Maheshwari)

Company Secretary

Notes to the Financial Statement

Note No. 1 Summary of significant accounting policies

1. Basis of preparation of Accounts

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

2. Fixed Assets

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

3. Inventories

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

4. Revenue

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

5. Prepaid and prior-period items

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

6. Employee Benefits

i. Short Term Benefits

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

ii. Post Employment Benefits

Defined contribution plans

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

Defined Benefit plan

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

7. Foreign Exchange

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

8. Employee Stock option based compensation

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

9. Investments

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

10. Earnings per Share

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

11. Provisions and Contingencies

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

12. Income Tax

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

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and

accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

13. Impairment of Assets

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

14. Use of Estimates

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



Note No. 2- SHARE CAPITAL

a) Share capital

Particulars	As at 31.03.2012 ₹ in mn	As at 31.03.2011 ₹ in mn
Authorised 750,000,000 (Previous year 750,000,000) equity shares of ₹10/- each	7,500.00	7,500.00
Shares issued, subscribed and fully paid up 294,973,571 (Previous year 294,973,571) equity shares of ₹10/- each	2,949.74	2,949.74

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

Particulars	Shares (Nos.)	
	For the year ended 31.03.2012	For the year ended 31.03.2011
Equity shares outstanding at the beginning of the year	294,973,571	294,547,401
Equity shares issued during the year	-	426,170
Equity shares outstanding at the end of the year	294,973,571	294,973,571

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

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

Name of the shareholders	As at 31.03.2012		As at 31.03.2011	
	No. of shares	%	No. of shares	%
Life Insurance Corporation of India Limited	53,153,112	18.02%	47,516,154	16.11%
Reliance Capital Trustee Company Limited	18,271,917	6.19%	18,171,917	6.16%

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

e) Shares reserved for issue

Particulars	As at 31.03.2012	As at 31.03.2011
Equity shares for Employee stock options (ESOP)* (Nos.)	1,867,505	2,102,839

*for terms of ESOP, refer note no. 22 b

Note No. 3-RESERVES AND SURPLUS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
(i) Securities premium account		
Opening balance	15,825.66	15,793.37
Add: Transferred from ESOP Outstanding A/c on exercise of ESOP	-	23.19
Add: Received on exercise of ESOP	-	9.10
Sub total (i)	15,825.66	15,825.66
(ii) Share option outstanding account		
Opening balance	103.95	280.89
Deductions during the year	(12.08)	(176.94)
Closing balance	91.87	103.95
Less: Deferred employee compensation	(6.35)	(28.36)
Sub total (ii)	85.52	75.59

(iii) General reserve		
Opening balance	1,546.43	1,130.87
Additions during the year	361.10	415.56
Sub total (iii)	1,907.53	1,546.43
(iv) Contingency reserve		
Opening balance	10.47	10.47
Sub total (iv)	10.47	10.47
(v) Surplus being balance in statement of profit & loss		
Opening balance	1,393.91	938.52
Addition: Profit for the year	1,203.66	1,385.19
Deductions during the year:		
(a) Proposed dividend	(442.46)	(442.46)
(b) Dividend tax on proposed dividend	(71.78)	(71.78)
(c) Transfer to general reserve	(361.10)	(415.56)
Sub total (v)	1,722.23	1,393.91
Grand Total (i) +(ii)+(iii) +(iv) +(v)	19,551.41	18,852.06

The Board of Directors in their meeting held on 30 May, 2012 has proposed a dividend of ₹1.50 per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note No. 4- DEFERRED TAX LIABILITIES (NET)

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
(a) Deferred tax liability on account of timing differences in:-		
Depreciation	71.93	82.54
Sub-total (a)	71.93	82.54
(b) Deferred tax asset arising on account of timing differences in:-		
Employee benefits	9.14	8.08
Sub-Total (b)	9.14	8.08
Net deferred tax liabilities (a-b)	62.79	74.46

Note No. 5- LONG TERM PROVISIONS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Provision for employee benefits	22.48	24.66
Total	22.48	24.66

Note No. 6- TRADE PAYABLES

a) Trade payables

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Trade payables - micro & small enterprises	-	-
Trade payables - others	12,581.88	5,262.08
Total	12,581.88	5,262.08

b) Based on the information available with the Company, there are no dues as at March 31, 2012 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. 7- OTHER CURRENT LIABILITIES

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Advances from customers	266.21	333.80
Security deposits received	63.15	72.47
Unpaid/ unclaimed dividend	6.18	6.21
Statutory liabilities	17.96	19.46
Interest accrued but not due	0.12	0.08
Other payables-employees	7.43	8.71
Total	361.05	440.73

Note No. 8- SHORT TERM PROVISIONS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Proposed dividend-equity shares	442.46	442.46
Dividend distribution tax on proposed dividend	71.78	71.78
Provision for income tax (Net of advance tax of ₹ 394.96mn)	68.82	-
Provision for employee benefits	7.34	3.46
Total	590.40	517.70

NOTE NO. 9-FIXED ASSETS-TANGIBLE ASSETS

(₹ in mn)

Description	Gross block				Depreciation/Amortisation				Net block	
	As at 01.04.2011	Additions	Sales/ Adjustments	As at 31.3.2012	As at 01.04.2011	For the year	Adjustments	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
TANGIBLE ASSETS										
Land										
-Leasehold land - perpetual Lease	34.43	-	-	34.43	-	-	-	-	34.43	34.43
-Leasehold land - others	1.26	-	-	1.26	0.18	0.06	-	0.24	1.02	1.08
Buildings	149.17	-	-	149.17	55.91	4.66	-	60.57	88.60	93.26
Furniture and fixtures	20.48	0.11	(0.17)	20.42	15.20	0.96	(0.15)	16.01	4.41	5.28
Vehicle	6.14	1.45	-	7.59	3.16	0.83	-	3.99	3.60	2.98
Plant and machinery	354.74	-	-	354.74	128.40	31.56	-	159.96	194.78	226.34
Office equipments	29.22	2.93	(2.59)	29.56	21.26	2.48	(2.27)	21.47	8.09	7.96
Capital expenditures not represented by capital asset	5.54	-	-	5.54	5.54	-	-	5.54	-	-
Total	600.98	4.49	(2.76)	602.71	229.65	40.55	(2.42)	267.78	334.93	371.33
Previous year	600.13	4.29	(3.44)	600.98	184.83	47.48	(2.66)	229.65	371.33	-

NOTE NO. 10-FIXED ASSETS-INTANGIBLE ASSETS

(₹ in mn)

Description	Gross block				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.2011	Additions	Sales/ Adjustments	As at 31.03.2012	As at 01.04.2011	For the year	Adjustments	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
Computer software	16.54	1.34	(0.11)	17.77	8.00	3.71	(0.10)	11.61	6.16	8.54
Membership fee to power exchanges	3.00	-	-	3.00	2.52	0.37	-	2.89	0.11	0.48
Total	19.54	1.34	(0.11)	20.77	10.52	4.08	(0.10)	14.50	6.27	9.02
Previous year	9.44	10.10	-	19.54	7.66	2.86	-	10.52	9.02	-

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



Note No. 11- NON CURRENT INVESTMENTS

(a) Non current investments

(₹ in mn)

Particulars	Face value ₹	Quantity as at	Quantity as at	Amount as at	Amount as at
		31.03.2012	31.03.2011	31.03.2012	31.03.2011
Long term trade investments - Quoted (At cost)					
Equity shares- fully paid up					
Subsidiary company - PTC India Financial Services Limited	10	337,250,001	337,250,001	4,460.00	4,460.00
Long term trade investments - Unquoted (At cost)					
Equity shares- fully paid up					
Subsidiary company - PTC Energy Limited (Wholly Owned)	10	55,000,000	41,000,000	550.00	410.00
Associate companies					
- Krishna Godavari Power Utilities Limited	10	19,503,493	19,503,493	195.03	195.03
- Athena Energy Ventures Private Limited	10	150,000,000	129,750,000	1,500.00	1,297.50
Joint venture company					
- Barak Power Private Limited*	10	-	50,000	-	0.50
- Ashmore PTC India Energy Infrastructure Advisors Private Limited**	10	4,680	-	0.05	-
- Ashmore PTC India Energy Infrastructure Trustee Private Limited**	10	4,733	-	0.05	-
Other company					
- Teestha Urja Limited	10	141,086,000	141,086,000	1,414.00	1,414.00
- Chenab Valley Power Projects Private Limited	10	100,000	-	1.00	-
Long term non trade investments - Quoted (At cost)					
Mutual funds					
- 'Religare FMP Series XIV 378 Days Growth	10	5,500,000	-	55.00	-
- 'Kotak FMP Series 84 Growth	10	6,000,000	-	60.00	-
				8,235.13	7,777.03
Less: Provision for diminution in value of Investments				0.10	0.50
Total				8,235.03	7,776.53
Aggregate market value of quoted non current investments				5,460.41	8,313.21
Aggregate cost of quoted non current investments				4,575.00	4,460.00
Aggregate cost of unquoted non current investments				3,660.13	3,317.03

*Liquidated on 11 October, 2011

** Under liquidation

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

(c) Provision for diminution of investments has been made for the Company's investment in Ashmore PTC India Energy Infrastructure Advisors Private Limited and Ashmore PTC India Energy Infrastructure Trustee Private Limited.

(d) As per Accounting Standard - 27 - 'Financial reporting of interest in Joint Ventures' notified under Companies (Accounting Standards) Rules 2006, the Company's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture companies, incorporated in India, are given below:

Particulars	As at 31.03.2012		As at 31.03.2011
	Name of the joint venture	Ashmore PTC India Energy Infrastructure Advisors Private Limited	Ashmore PTC India Energy Infrastructure Trustee Private Limited
Company's ownership interest	40%	40%	50%
Assets (₹ in mn)	0.05	0.05	0.47
Liabilities (₹ in mn)	0.01	0.01	0.80
Income (₹ in mn)	-	NIL	NIL
Expenses (₹ in mn)	0.01	0.01	0.79
Contingent liabilities (₹ in mn)	NIL	NIL	NIL
Capital commitments (₹ in mn)	NIL	NIL	NIL

e) Investment in PTC Financial Services Limited (subsidiary) includes six shares of ₹ 10 each held by the nominees on behalf of the Company.

Note No. 12-LONG TERM LOANS AND ADVANCES

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
	Unsecured, considered good	
Loans and advances to employees	10.75	8.05
Security deposits	14.65	12.79
Advance income tax (net of provision for income tax ₹ 1,625.72 mn, Previous year ₹ 1,625.72 mn)	42.10	4.71
Advance fringe benefit tax (net of provision for fringe benefit tax ₹ 7.56 mn, Previous year ₹ 7.56 mn)	0.57	0.57
Prepaid expenses	0.10	0.01
Total	68.17	26.13

Note No. 13- CURRENT INVESTMENTS

(₹ in mn)

Particulars	Face Value ₹	Quantity as at	Quantity as at	Amount as at	Amount as at
		31.03.2012	31.03.2011	31.03.2012	31.03.2011
Current maturities of long term non trade investments - Quoted (At cost)					
Mutual funds					
- 'Reliance Fixed Horizon Fund XIX-Series 11 Growth	10	-	15,000,000	-	150.00
- 'FIDELITY FMP SR 5 PLAN e Growth	10	-	10,000,000	-	100.00
- 'JP Morgan FMP 367 D Series 1-Growth	10	-	30,000,000	-	300.00
- 'JP Morgan FMP 400D Series 1-Growth	10	-	20,000,000	-	200.00
- 'Birla Sun Life Fixed Term Plan Series CR Growth	10	-	10,000,000	-	100.00
- 'Birla Sun Life Fixed Term Plan Series CW Growth	10	-	15,000,000	-	150.00
- 'SBI Debt Fund Series 370 Days-10-Growth	10	-	10,000,000	-	100.00
-HDFC FMP 13M March 2010- Growth Series XII	10	-	20,000,000	-	200.00
-Axis Fixed Term Plan Series1(384Days) -Growth	10	-	20,000,000	-	200.00
-Canara Robeco -FMP- Series 5-13 Month (Plan A)-Growth	10	-	20,000,000	-	200.00
-L&T FMP Series- 12- PLAN 15M -March 10-I- Growth	10	-	15,000,000	-	150.00
-Religare FMP- Series- II Plan -A (13 Months)- Growth	10	-	30,000,000	-	300.00
-Reliance Fixed Horizon Fund -XIV-Series 2-Growth Plan	10	-	50,000,000	-	500.00
Short term investment non trade - Quoted (At cost)					
Mutual funds					
- JP Morgan India Short Term Income Fund -Growth Plan	10	-	10,000,000	-	100.00
Short term investment- non trade (Unquoted) (At cost)					
Mutual funds					
- Franklin Templeton Money Plus Account	10	40,759	17,906	0.41	0.18
Total				0.41	2,750.18
Aggregate market value of quoted current investments				-	2,878.81
Aggregate cost of quoted current investments				-	2,750.18
Aggregate cost of unquoted current investments				0.41	0.18

Note No. 14- INVENTORIES

(₹ in mn)

Particulars	As at	As at
	31.03.2012	31.03.2011
Raw material-Coal*	414.50	-
Total	414.50	-

*Valued at lower of cost or net realizable value

Note No. 15- TRADE RECEIVABLES
a) Trade receivables

(₹ in mn)

Particulars	As at	As at
	31.03.2012	31.03.2011
Trade receivables outstanding for a period exceeding six months from the date they become payable		
- Secured, considered good	-	-
- Unsecured, considered good	13,522.31	854.64
Other Trade receivables		
- Secured, considered good	-	-
- Unsecured, considered good	12,287.75	8,924.27
Total	25,810.06	9,778.91

b) Trade receivables are hypothecated to the banks for availing the non-fund based working capital facilities.

c) Trade receivables include an amount of ₹162.30 mn due from Tamil Nadu Electricity Board (TNEB) towards compensation claim. The Company considers the said amount as good and recoverable even though TNEB has not accepted the claim of the Company. The matter has been referred to the Madras High Court which has appointed a sole arbitrator in this respect.

Note No. 16-CASH AND BANK BALANCES
a) Cash and bank balances

(₹ in mn)

Particulars	As at	As at
	31.03.2012	31.03.2011
Cash and cash equivalents:-		
Cash on hand (including foreign currency)	0.19	0.13
Balance with banks:-		
-Current accounts	249.87	1,621.44
-Term deposits*	202.00	2,282.50
Sub total (i)	452.06	3,904.07
Other bank balances:-		
-Term deposits**	-	2,967.10
-Dividend accounts	6.18	6.21
Sub total (ii)	6.18	2,973.31
Grand Total (i) +(ii)	458.24	6,877.38

* Term deposits of Nil (Previous year ₹ 310 mn) have been pledged with banks against letter of credit opened by the subsidiary company.

** Term deposits of Nil (Previous year ₹ 1,465.20) have an original maturity of more than 12 months.

Note No. 17-SHORT TERM LOANS AND ADVANCES
a) Short term loans and advances

(₹ in mn)

Particulars	As at	As at
	31.03.2012	31.03.2011
Unsecured, considered good		
Loan and advances to related parties:-		
(i) Subsidiary company		
- PTC Energy Limited	-	2.50

Particulars	As at 31.03.2012	As at 31.03.2011
(ii) Joint venture company		
- Barak Power Private Limited	-	1.54
(iii) Associate Company		
-Krishna Godavari Power Utilities Limited (Advance against investment)	180.50	-
Employees loans and advances	4.64	2.70
Security deposit	158.81	118.76
Prepaid expenses	4.11	35.03
Open access advances	341.59	244.18
Cash and cash equivalent with port folio managers	-	0.62
Service tax credit	0.44	3.70
Advance to trade payables	95.43	4.94
Other advances	2.64	17.32
Total	788.16	431.29

b) Loans and advances due from directors-NIL.

Note No. 18- OTHER CURRENT ASSETS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Unsecured, considered good		
Interest accrued but not due	3.98	100.66
Total	3.98	100.66

Note No. 19- REVENUE FROM OPERATIONS

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Sale of electricity	75,371.42	88,530.67
Sale of services (Consultancy)	1.18	13.12
Rebate on purchase of power	778.59	1,245.79
Service charges	79.65	90.90
Surcharge on sale of power	271.91	105.39
Total	76,502.75	89,985.87

Note No. 20- OTHER INCOME

a) Other Income

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Interest income	198.62	415.55
Dividend		
- from current investments-non trade	28.48	176.67
Profit from sale of investment		
- on current investments-non trade (net)	11.61	8.58
- on long term investments-non trade (net)	<u>248.20</u>	5.74

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Rental Income	12.74	7.87
Foreign currency fluctuation (net)	3.19	-
Miscellaneous income	2.12	0.83
Total	504.96	615.24

b) Dividend received from subsidiary company -NIL

Note No. 21-Cost of coal consumed

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Opening stock	-	-
Purchases	475.30	-
Less: Consumed by project developer with whom power tolling agreement made.	(60.80)	-
Less: Closing stock	(414.50)	-
Total	-	-

Note No. 22-EMPLOYEE BENEFITS EXPENSE

a) Employee benefits expense

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Salaries and wages	89.12	93.48
Contribution to provident fund	4.34	4.14
Gratuity	1.91	4.55
Staff welfare expenses	13.71	12.30
Employee compensation expense (ESOP)	9.92	(44.89)
Total	119.00	69.58

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

i) Particulars of scheme

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

ii) Details of vesting:

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

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

Particulars	As at 31.03.2012		As at 31.03.2011	
	Number of shares (Nos)	Weighted average exercise price (₹)	Number of shares (Nos)	Weighted average exercise price (₹)
Outstanding at the beginning of the year	2,102,839	36.25	5,540,376	35.01
Forfeited/surrendered during the year	235,334	34.34	3,011,367	34.66
Exercised during the year	-	-	426,170	31.34
Outstanding at the end of the year	1,867,505	36.49	2,102,839	36.25
Exercisable at the end of the year	738,072	28.61	107,129	41.62
Weighted average remaining contractual life (in years)	2.73	-	3.73	-

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

Particulars	As at 31.03.2011	As at 31.03.2011
Range of exercise prices (₹)	10 to 64.20	10 to 64.20
Number of options outstanding	1,867,505	2,102,839
Weighted average remaining contractual life of options (in years)	2.73	3.73
Weighted average exercise price (₹)	36.49	36.25

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

a) Effect on profit & loss:-

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Employee compensation cost pertaining to ESOP Plan during the year	9.92	(44.89)

b) Effect on financial position:-

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Liability for employee stock options outstanding as at the year end	91.87	103.95
Deferred compensation cost outstanding as at the year end	6.35	28.36

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

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Profit as reported for the year	1,203.66	1,385.19
Add: Employee stock compensation under intrinsic value method	9.92	(44.89)
Less: Employee stock compensation under fair value method	13.45	(50.58)
Pro forma profit	1,200.13	1,390.88

vii) Earnings per share (₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Basic		
- As reported	4.08	4.70
- As pro forma	4.07	4.72
Diluted		
- As reported	4.07	4.68
- As pro forma	4.06	4.70

(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

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

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

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Present value of obligation	21.97	22.36	0.75	0.74	9.70	9.28
Fair value of plan assets	-	-	-	-	-	-
Net asset / (liability) recognized in Balance Sheet	(21.97)	(22.36)	(0.75)	(0.74)	(7.10)	(5.02)

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

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Present value of obligation as at the beginning of the year	22.36	14.27	0.74	0.73	9.28	4.39
Interest cost	1.90	1.14	0.06	0.06	0.79	0.35
Current service cost	2.59	2.82	-	-	1.23	1.25
Benefits paid	(2.45)	(0.65)	(0.08)	(0.07)	(1.97)	(0.08)
Actuarial (gain)/loss on obligation	(2.43)	4.78	0.03	0.02	0.37	3.37
Present value of obligation as at the end of year	21.97	22.36	0.75	0.74	9.70	9.28



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

(₹ in mn)

Particulars	Gratuity (Funded)	
	As at 31.03.2012	As at 31.03.2011
Fair value of plan assets as at the beginning of the year	4.26	4.07
Expected return on plan assets	0.34	0.32
Actuarial gain/(loss) on obligation	(0.03)	(0.05)
Benefits paid	(1.97)	(0.08)
Fair value of plan assets as at the end of the year	2.60	4.26

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

Particulars	Gratuity (Funded)	
	As at 31.03.2012	As at 31.03.2011
Administered by ICICI Prudential Life Insurance	98.68%	99.31%
Bank balance	1.32%	0.69%

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

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Current service cost	2.59	2.82	-	-	1.23	1.25
Interest cost	1.90	1.14	0.06	0.06	0.79	0.35
Expected return on plan assets	-	-	-	-	(0.34)	(0.32)
Net actuarial (gain)/ loss recognized in the year	(2.43)	4.78	0.03	0.02	0.40	3.42
Expenses recognized in the statement of profit and loss*	2.06	8.74	0.09	0.08	2.08	4.70

*includes amount recoverable from group companies

The Company expects to contribute ₹ 1.52 mn to gratuity and ₹ 1.94 mn to leave encashment in 2012-13.

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

(₹ in mn)

Sr. No.	Particulars	One percent point medical inflation rate	increase in One percent point decrease in medical inflation rate
I	Increase/(decrease) on aggregate service and interest cost of post retirement medical benefits	0.006	(0.003)
II	Increase/(decrease) on present value of defined benefit obligations as at 31 March, 2012	0.053	(0.048)

vii) Economic Assumption:

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

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Discounting rate	8.50%	8.00%	8.50%	8.00%	8.50%	8.00%
Future salary increase	6.00%	5.50%	6.00%	5.50%	6.00%	5.50%
Expected Rate of return on plan assets	N. A.	N. A.	N. A.	N. A.	8.00%	8.00%
Expected average remaining working lives of employees in number of years	23.36	21.98	N.A.	N.A.	23.36	21.98

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

(₹ in mn)

Particulars	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Experience adjustments on present value of gratuity obligation	(0.71)	(3.38)	0.03	(0.50)
Experience adjustments on plan assets of gratuity	(0.04)	(0.05)	0.01	(0.04)
Experience adjustments on present value of leave encashment obligation	2.33	(4.84)	1.32	(1.99)

ix) Demographic assumptions

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Mortality table	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Ages	Withdrawal rates					
upto 30 years	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
from 31 to 44 years	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

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

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

Defined contribution plans	Year ended 31.03.2012	Year ended 31.03.2011
Provident fund	4.34	4.14

Note No. 23-FINANCE COSTS

a) Finance cost

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Interest expense	259.62	11.23
Other borrowing cost	0.10	-
Total	259.72	11.23

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

Note No. 24-OTHER EXPENSES

a) Other expenses

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Rent	0.66	0.64
Repairs to building	3.14	2.61
Repairs to machinery - Wind mill	7.38	7.03
Insurance	0.95	0.52
Rates and taxes	3.61	3.45
Auditors' remuneration	0.65	0.87
Provision for diminution in value of investments	0.10	0.50
Legal & professional charges	29.97	24.86
Consultancy expenses	31.24	22.25
Advertisement	3.96	3.79
Communication	5.26	5.74
Business development	11.14	11.02
Travelling and conveyance expenses	18.53	15.75
Printing & stationery	2.62	3.09
Fees & expenses to directors	1.64	2.46
Repair & Maintenance - Others	2.42	2.47
Bank charges	5.68	10.00
EDP expenses	0.85	1.23
Books & periodicals	0.19	0.25
Water & electricity expenses	4.05	3.71
Investment written off	0.85	-
Security expenses	1.40	1.31
Property tax	0.60	0.60
Other general expenses	26.01	7.95
Charity & donation	1.20	0.66
Total	164.10	132.76

b) Details of Auditors' Remuneration:

(₹ in mn)

Particular	Year ended 31.03.2012	Year ended 31.03.2011
Statutory audit fees	0.49	0.54
Tax audit fees	0.05	0.07
Other matters	0.05	0.21
Out of pocket expenses	0.06	0.05
Total *	0.65	0.87

*net of ₹ 0.06 mn (previous year Nil) of service tax credit

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

a) ₹ 0.66 mn has been debited to the statement of profit and loss (Previous year ₹ 0.64 mn).

b) Details of future lease payments

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Year up to 1 year	0.61	0.66
Years later than 1 year and not later than 5 years	NIL	0.61
Years later than 5 years	Nil	Nil

Note No. 25-EXCEPTIONAL ITEMS

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Loss on sale of fixed assets (net)	(0.28)	(0.38)
Excess provision written back	2.94	2.05
Total	2.66	1.67

Note No. 26-PRIOR PERIOD ITEMS

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Legal & professional charges	-	0.05
Rent	1.22	-
Others	-	0.04
Total	1.22	0.09

Note No 27- EARNINGS PER EQUITY SHARE

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Opening equity shares (Nos. in mn)	294.97	294.55
Equity shares issued during the year (Nos. in mn)	-	0.43
Closing equity shares (Nos. in mn)	294.97	294.97
Weighted average number of equity shares used as denominator for basic earnings (Nos. in mn)	294.97	294.63
Weighted average number of equity shares used as denominator for diluted earnings (Nos. in mn)	295.66	296.06
Net profit after tax used as numerator (Amount in ₹ mn)	1,203.66	1,385.19
Basic earnings per share (Amount in ₹)	4.08	4.70
Diluted earnings per share (Amount in ₹)	4.07	4.68
Face value per share (Amount in ₹)	10.00	10.00

Note No. 28 - OTHER INFORMATION

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

b) Estimated amount of capital commitments:

(₹ in mn)

As at 31.03.2012	As at 31.03.2011
NIL	NIL

c) Details of contingent liabilities:

i) Claims against the Company not acknowledged as debt:

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011	Remarks
Claims of suppliers	1,285.64	1,285.64	<p>1. Out of total claims, ₹ 849.50 mn pertains to claim of Himachal Pradesh State Electricity Board. The arbitrator concluded the arbitration in favour of PTC on 31.10.2008, however HPSEB has contested the award in the High Court of Himachal Pradesh.</p> <p>2. Gujarat Urja Vikas Nigam Limited (GUVNL) has raised bills for compensation for an amount of ₹ 432.77 mn. GUVNL has filed a petition before GERC for direction of payment. In the opinion of the Company and also as per legal opinion, the said compensation is not payable and PTC has challenged the contention of GUVNL. GERC has held that it had jurisdiction to hear the matter and PTC has filed an appeal against the said judgement before APTEL meanwhile the proceedings before GERC continue till the pendency of appeal before APTEL."</p>
Income tax demands	38.95	-	
Others	-	2.58	Settled during the year. No liability occurred to the company.
Total	1,324.59	1,288.22	

ii) Bank guarantees :

(₹ in mn)

As at 31.03.2012	As at 31.03.2011
814.22	5654.60

iii) *Letter of Credit:

(₹ in mn)

As at 31.03.2012	As at 31.03.2011
NIL	200.00

*against energy banking

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

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Travelling	1.52	1.91
Consultancy	-	0.98
Others	-	1.81
Total	1.52	4.70

e) CIF value of coal import

(₹ in mn)

Year ended 31.03.2012	Year ended 31.03.2011
385.85	NIL

f) Income earned in foreign exchange:

(₹ in mn)

Year ended 31.03.2012	Year ended 31.03.2011
NIL	NIL

g) The Company has called for and received in 2007-08, ₹ 11,999.95 mn from Qualified Institutional Placement (QIP). The Company has also called for and received in 2009-10, ₹ 4,999.92 mn from Qualified Institutional Placement (QIP). The amount raised has been utilized in the following manner:-

(₹ in mn)

Sl. No.	Particulars	Up to 31.03.2012	Up to 31.03.2011
i)	Equity shares issue expenses	121.91	121.91
ii)	Private equity investments in the companies	7,458.63	6,934.53
iii)	Investments in debt instruments of mutual funds/term deposits/working capital	9,419.33	9,943.43
	Total	16,999.87	16,999.87

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

(₹ in mn)

Name of Related Party	Influence	Nature of Transaction	Year ended 31.03.2012	Year ended 31.03.2011
NTPC Limited.	Significant Influence	Director sitting fees to nominee directors	0.16	0.08
Power Grid Corporation of India Limited.	Significant Influence	Director sitting fees to nominee directors Services received (wheeling charges)	- 1.54	0.14 1.71
Power Finance Corporation Limited	Significant Influence	Director sitting fees to nominee directors Pledging of shares (Refer note no.11 b)	0.08	0.12

Name of Related Party	Influence	Nature of Transaction	Year ended	Year ended
			31.03.2012	31.03.2011
NHPC Limited	Significant Influence	Director sitting fees to nominee directors	0.14	0.32
		Electricity traded through IEX	805.94	-
		Services charges (IEX) (excluding service tax of ₹ 1.24 mn)	12.08	-
PTC India Financial Services Limited	Subsidiary	Payment of expenses etc on behalf of the subsidiary	31.81	19.94
		Payment of expenses etc by the subsidiary on behalf of the Company	0.55	-
		Rental income (including service tax)	9.60	2.68
PTC Energy Limited	Subsidiary	Payment of expenses etc on behalf of the subsidiary	12.40	11.50
		Demurrage charges paid	0.82	-
		Equity Contribution	140.00	-
		Purchase of coal by the Company from the subsidiary (excluding gain on foreign exchange of ₹ 4.25 mn)	385.85	-
		Rental income (including service tax)	2.65	-
Barak Power Private Limited*	Joint Venture	Equity contribution	0.35	-
		Investment written off	0.85	-
Ashmore PTC India Energy Infrastructure Advisors Private Limited**	Joint Venture	Equity contribution	0.05	-
Ashmore PTC India Energy Infrastructure Trustee Private Limited**	Joint Venture	Equity contribution	0.05	-
		Equity contribution	0.05	-
Krishna Godavari Power Utilities Limited	Associate	Share application money given to associates	180.50	-
		Equity contribution	202.50	817.50
Athena Energy Ventures Private Limited	Associate	Director sitting fees for nominee directors	0.08	-
		Payment of expenses by associate on behalf of the Company	0.04	0.04

Key Management Personnel (₹ in mn)

Mr. T.N.Thakur	Chairman & Managing Director	Directors remuneration	11.88	11.03
		Amount received on sale of asset.	-	0.11
Mr. Shashi Shekhar#	Director	Directors remuneration	-	4.10
Mr. Deepak Amitabh	Director	Directors remuneration	6.23	5.84
		Amount received by Company on exercise of ESOP	-	1.01

#ceased to be director on 17 January, 2011

Investment Outstanding

(₹ in mn)

Name of the company	Relationship	As at 31.03.2012	As at 31.03.2011
PTC Energy Limited	Subsidiary	550.00	410.00
PTC India Financial Services Limited	Subsidiary	4,460.00	4,460.00
Athena Energy Ventures Private Limited	Associate	1,500.00	1,297.50
Krishna Godavari Power Utilities Limited	Associate	195.03	195.03
Barak Power Private Limited *	Joint venture	-	0.50
Ashmore PTC India Energy Infrastructure Advisors Private Limited**	Joint Venture	0.05	-
Ashmore PTC India Energy Infrastructure Trustee Private Limited**	Joint Venture	0.05	-

Provision for diminution in the value of investment

(₹ in mn)

Name of the company	Relationship	As at 31.03.2012	As at 31.03.2011
Barak Power Private Limited *	Joint venture	-	0.50
Ashmore PTC India Energy Infrastructure Advisors Private Limited**	Joint venture	0.05	-
Ashmore PTC India Energy Infrastructure Trustee Private Limited**	Joint venture	0.05	-

Balance Outstanding

(₹ in mn)

Name of the company	Relationship	Nature	As at 31.03.2012	As at 31.03.2011
NHPC Limited	Significant Influence	Balance payable	219.61	-
Athena Energy Ventures Private Limited	Associate	Balance payable	0.01	0.02
PTC India Financial Services Limited	Subsidiary	Balance recoverable	-	-
		Maximum balance	17.02	13.61
PTC Energy Limited	Subsidiary	Balance recoverable	-	2.50
		Balance Payable	0.12	-
		Maximum balance	4.96	9.55
Barak Power Private Limited*	Joint Venture	Balance recoverable	-	1.54
		Maximum balance	1.54	1.54

*Liquidated on 11 October, 2011

** Under Liquidation

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



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

Number of shareholders	1,674	1,476
Number of shares held	2,021,508	1,484,978
Dividend remitted (₹ in millions)	3.03	1.78
Year to which it relates	2010-11	2009-10

l) Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31 March, 2012 are prepared as per Revised Schedule VI. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. Accordingly, the previous year figures have also been reclassified/regrouped/rearranged to conform to this year classification.

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)
Partner
M.No.088155

Date: May 30, 2012
Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)
Director
DIN 01061535

(Tantra Narayan Thakur)
Chairman & Managing Director
DIN 00024322

(Rajiv Maheshwari)
Company Secretary

AUDITOR'S REPORT

To The Board of Directors of PTC India Limited

1. We have audited the attached Consolidated Balance Sheet of PTC India Limited (the Company), its subsidiaries, its associates and joint ventures (collectively referred to as "The Group") as at 31st March 2012, the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit, which have been prepared in accordance with the Accounting Standards, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the consolidated financial statements of subsidiaries, whose consolidated financial statements reflect total assets of ₹ 20,186.08 millions (previous year ₹ 17,735.65 millions) as at 31st March 2012 the total consolidated revenue of ₹ 4,491.45 millions (previous year ₹ 2,026.59 millions) and consolidated net decrease in cash flows amounting to ₹ 3,288.50 millions (previous year ₹ 1,831.85 millions increase in cash flow) for the year. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on such report.
4. We did not audit the financial statements of associate companies for the year ended March 31, 2012 viz. Krishna Godavari Power Utilities Limited and Athena Energy Venture Private Limited, whose financial statements reflect net accumulated losses of ₹ 79.07 millions (previous year ₹ 78.66 millions), the Group's share of net losses of ₹ 0.07 millions (previous year ₹ 1.87 millions) for the year then ended as considered in consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to them by the Company's management, and their opinion, in so far as it relates to the amounts included in respect of those associates is based solely on the reports of the other auditors.
5. The accounts of the Joint Ventures Ashmore PTC India Energy Infrastructure Advisors Private Limited and Ashmore PTC India Energy Infrastructure Trustee Private Limited have been consolidated on the basis of unaudited accounts as on 28th March, 2012 as these are under liquidation and the amount involved therein is very insignificant.
6. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and (AS) 27 Financial Reporting of Interest in Joint Ventures prescribed by the Companies (Accounting Standards) Rules 2006.
7. Based on our audit as aforesaid and to the best of our information and according to the explanations given to us, and on consideration of report of other auditors on the financial statements as explained in paragraphs 3 & 4 and unaudited accounts as explained in paragraph 5 above, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March 2012.
 - (ii) in the case of the Consolidated Profit & Loss Account, of the Profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

**For K.G. Somani & Co.
Chartered Accountants
Firm Regn No. 006591N**

**(Bhuvnesh Maheshwari)
Partner
M. No. 88155**

**Place: New Delhi
Date : 30th May 2012**



Consolidated Balance Sheet as at 31st March, 2012

(₹ in mn)

	Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
I.	EQUITY AND LIABILITIES			
(1)	Shareholders' funds			
	(a) Share capital	2	2,949.74	2,949.74
	(b) Reserves and surplus	3	22,107.17	20,494.88
			25,056.91	23,444.62
(2)	Minority interest		4,671.15	4,118.76
(3)	Non-current liabilities			
	(a) Long-term borrowings	4	6,879.67	4,653.30
	(b) Deferred tax liabilities (net)	5	111.74	121.40
	(c) Long-term provisions	6	89.89	44.97
			7,081.30	4,819.67
(4)	Current liabilities			
	(a) Short-term borrowings	7	281.00	-
	(b) Trade payables	8	12,656.49	5,586.96
	(c) Other current liabilities	9	940.96	2,419.43
	(d) Short-term provisions	10	521.67	517.79
			14,400.12	8,524.18
	Total		51,209.48	40,907.23
II.	ASSETS			
(1)	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	11	592.97	672.59
	(ii) Intangible assets	12	7.36	10.33
	(b) Non-current investments	13	7,623.95	7,820.99
	(c) Long-term loans and advances	14	10,936.24	6,264.54
	(d) Other non-current assets	15	220.81	-
			19,381.33	14,768.45
(2)	Current assets			
	(a) Current investments	16	0.41	2,750.18
	(b) Inventories	17	397.93	-
	(c) Trade receivables	18	25,881.63	10,000.17
	(d) Cash and bank balances	19	2,718.34	11,882.84
	(e) Short-term loans and advances	20	2,187.12	1,192.95
	(f) Other current assets	21	642.72	312.64
			31,828.15	26,138.78
	Total		51,209.48	40,907.23

Summary of significant accounting policies

1

The accompanying notes are integral part of the financial statements

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)
Partner
M.No.088155

Date: May 30, 2012
Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)
Director
DIN 01061535

(Tantra Narayan Thakur)
Chairman & Managing Director
DIN 00024322

(Rajiv Maheshwari)
Company Secretary



Consolidated Statement of Profit and Loss for the Year Ended 31st March, 2012

(₹ in mn)

S.No.	Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
I.	Revenue from operations	22	80,585.28	92,004.34
II.	Other income	23	516.94	620.92
III.	Total Revenue (I + II)		81,102.22	92,625.26
IV.	Expenses:			
	Purchases of electricity		74,388.97	87,461.40
	Rebate on sale of power		376.95	909.41
	Purchases of coal		1,192.39	902.25
	Cost of certified emission reduction units		41.38	-
	Cost of coal consumed	24	-	-
	Employee benefits expense	25	173.56	97.31
	Finance costs	26	945.30	454.97
	Depreciation and amortization expense	11 & 12	91.60	105.00
	Other expenses	27	357.29	196.02
	Total expenses		77,567.44	90,126.36
V.	Profit before exceptional, prior period items and tax (III-IV)		3,534.78	2,498.90
VI.	Exceptional items	28	2.66	1.67
VII.	Profit before prior period items and tax (V +VI)		3,537.44	2,500.57
VIII.	Prior period items	29	1.22	0.09
IX.	Profit before tax (VII-VIII)		3,536.22	2,500.48
X.	Tax expense:			
	-Current tax		952.09	704.88
	-Minimum alternative tax credit entitlement		(0.38)	-
	-Deferred tax (net)		(9.65)	27.87
XI.	Profit for the year before share of associates and minority interest		2,594.16	1,767.73
	Add: Share of profit/(loss) of associates (includes ₹ 3.46 mn (previous year ₹Nil) of prior period items)		(1.38)	69.04
	Less: Minority interest in profit		(551.56)	(176.51)
	Net profit for the year after share of associates and minority interest		2,041.22	1,660.26
XII.	Earnings per equity share	30		
	(1) Basic (₹)		6.92	5.64
	(2) Diluted (₹)		6.90	5.61

Summary of significant accounting policies

1

The accompanying notes are integral part of the financial statements

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)
Partner
M.No.088155

Date: May 30, 2012
Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)
Director
DIN 01061535

(Tantra Narayan Thakur)
Chairman & Managing Director
DIN 00024322

(Rajiv Maheshwari)
Company Secretary



Consolidated Cash Flow Statement for the Year Ended 31st March, 2012

(₹ in mn)

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	3,536.22	2,500.48
Adjustment for:		
Depreciation and amortization	91.60	105.00
ESOP expenses	12.18	(52.66)
Loss on sale of fixed assets	0.28	0.42
Investment written off	0.52	-
Contingent provision against standard assets	46.30	17.77
Excess provision written back	(3.15)	(2.29)
Foreign currency translation account	12.13	-
Foreign exchange fluctuation	(3.56)	-
Incidental expenses during construction period written off	-	0.77
Interest expense	945.20	454.97
Dividend Income	(28.48)	(176.67)
Interest Income	(219.74)	(423.45)
Rental Income	(1.63)	(5.42)
Profit on sale of investment	(259.81)	(14.32)
Operating profit before working capital changes	4,128.06	2,404.60
Adjustment for:		
Inventories	(397.92)	-
Trade receivables	(15,881.56)	(4,685.01)
Loans and advances	(355.09)	(297.55)
Change in loan financing (net)	(5,905.15)	(4,093.87)
Change in investments	588.10	(563.99)
Current liabilities & provisions	7,084.98	2,467.82
Bank balances not considered as cash and cash equivalents in Deposit accounts	(543.51)	(665.80)
Cash generated/(used) from operating activities	(11,282.09)	(5,433.80)
Direct taxes paid (net)	(913.25)	(701.79)
Net cash generated/(used) from operating activities (A)	(12,195.34)	(6,135.59)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	315.43	398.06
Dividend received	28.48	176.67
Rent received	1.63	5.42
Purchase of fixed assets	(9.37)	(12.38)
Sale of fixed assets	0.08	0.41
Sale/(Purchase) of investments in associates	(202.50)	(817.50)
Sale/ (Purchase) of investments (net)	2,633.42	(949.59)
Decrease/(Increase) in term deposits	3,226.91	2,752.62
Net cash generated/ (used) in investing activities (B)	5,994.08	1,553.71
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of additional Shares (including share premium net of expense)	-	3,540.39
Received pursuant to sale of equity shares of Macquarie India Holdings Ltd	-	807.76
Payment of sale of equity shares of Macquarie India Holdings Ltd	(807.76)	-
Equity shares application money refundable	-	13.93
Payment of share application money	(13.69)	-
Issue expenses paid	(93.06)	(20.60)
Proceeds from long term borrowings	3,501.32	2,836.74
Repayments of long term borrowings	(1,977.49)	-
Proceeds/(repayment) from/ to short term borrowings	281.00	(246.00)
Interest paid	(915.67)	(434.41)
Dividend paid (including dividend tax)	(514.27)	(418.38)

Cash flow generated/(used) from financing activities (C)	(539.62)	6,079.43
Net increase/ (use) in cash and cash equivalents (A+B+C)	(6,740.88)	1,497.55
Cash and cash equivalents (opening balance)	8,243.73	6,746.18
Cash and cash equivalents (closing balance)	1,502.85	8,243.73

Notes:

1. Cash and cash equivalents include

Cash on hand (including foreign currency)	0.19	0.13
Current accounts	436.92	1,950.97
Term deposits (original maturity period upto 3 months)	1,065.51	5,470.94

In earmarked accounts:

- unclaimed share application money lying at escrow account	0.23	13.93
- received on behalf of Macquarie India Holdings Limited lying in escrow account	-	807.76

Cash and cash equivalents at the year end (a)

1,502.85 8,243.73

Other bank balances

-Term deposits (original maturity period more than 3 months)	1,209.31	3,632.90
-Dividend accounts	6.18	6.21

Other bank balances at the year end (b)

1,215.49 3,639.11

Cash and bank balances at the year end (a)+(b)

2,718.34 11,882.84

2. Cash and bank balances include term deposits of ₹ 1,023.51 mn (Previous year ₹ 333.51 mn) which have been pledged as margin money against bank guarantee, short-term borrowing and letter of credit.

3. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Companies (Accounting Standards) Rules, 2006.

4. Figures in bracket indicate cash outflow.

5. Previous year's figures have been rearranged/regrouped/reclassified wherever necessary.

As per our report of even date attached

For K G Somani & Co.

Chartered Accountants

Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)

Partner

M.No.088155

Date: May 30, 2012

Place: New Delhi

For and on behalf of the Board of Directors

(Deepak Amitabh)

Director

DIN 01061535

(Tantra Narayan Thakur)

Chairman & Managing Director

DIN 00024322

(Rajiv Maheshwari)

Company Secretary

Notes To The Consolidated Financial Statements

NOTE NO. 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 Group Companies

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

Sr. No.	Name of Company	Relationship	Percentage of ownership interest		Share of Associates Profit/ (Loss) included in Consolidated Profit and Loss Account (₹ in mn)	
			As on 31.03.2012	As on 31.03.2011	Year ended 31.03.2012	Year ended 31.03.2011
1	PTC India Financial Services Limited (PFS)	Subsidiary	60.00%	60.00%	NA	NA
2	PTC Energy Ltd (PEL)	Subsidiary	100%	100%	NA	NA
3	Barak Power Private Limited*	Joint Venture	NA	50%	NA	NA
4	Ashmore PTC India Energy Infrastructure Advisors Private Limited**	Joint Venture	40%	NA	NA	NA
5	Ashmore PTC India Energy Infrastructure Trustee Private Limited**	Joint Venture	40%	NA	NA	NA
6	Athena Energy Ventures Private Limited	Associate	18%	20%	(0.07)	(1.87)
7	Krishna Godavari Power Utilities Limited@	Associate	34.65%	34.65%	-	-
8	Ind-Barath Energy (Utkal) Limited @	Associate	20.55%	20.55%	-	-
9	Ind-Barath PowerGenCom Limited#	Associate	-	26%	(28.99)	49.68
10	India Energy Exchange Limited##	Associate	-	21.12%	77.67	36.74
11	PTC Bermaco Green Energy Systems Limited	Associate	26%	26%	-	(0.61)
12	RS India Wind Energy Limited	Associate	37%	37%	(44.08)	-
13	Varam Bio Energy Private Limited	Associate	26%	26%	(3.51)	(14.62)
14	RS India Global Energy Limited	Associate	48%	48%	(2.40)	(0.28)

*Liquidated on October 11, 2011

** The accounts of the joint ventures have been consolidated on the basis of unaudited accounts as on 28th March, 2012 as these are under liquidation.

#ceased to be an associate on September 28, 2011

ceased to be an associate on March 29, 2012

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

2 Basis of preparation of Accounts

- The consolidated financial statements of the group are prepared under the historical cost convention and in accordance with applicable Accounting Standards in India. The financial statements adhere to the relevant presentational requirement of the Companies Act, 1956 and other applicable laws.
- The financial statements of the company and the subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating

intra-group balance/transactions in full as per Accounting Standard-21 on Consolidated Financial Statements.

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

3 Fixed Assets

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

4 Inventories

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

5 Revenue

- Revenue from sale of power is accounted for based on rates agreed with the beneficiaries, excluding service charges wherever separately indicated in the agreement.
- Service charges include transaction fee charged under the contracts of purchase and supply of power.
- Revenue in the form of Management and/or Success Fee for services rendered in relation to development work of Potential Power Projects is recognised when such fee is assured and determinable under the terms of the respective contract
- The surcharge on late/non-payment of dues by sundry debtors for sale of energy is not treated as accrued due to uncertainty of its realization and is, therefore, accounted for on receipt basis.
- Consultancy income is recognized proportionately with the degree of completion of services.

- vi) Revenue from sale of coal is recognized on transfer of all significant risks and reward to the customer and it is not unreasonable to expect ultimate collection.
- vii) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable
- viii) Dividend is accounted when the right to receive is established
- ix) Fee based incomes are recognized when reasonable right of recovery is established and the revenue can be reliably measured

6 Earnings per Share

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

7 Prepaid and prior-period items

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

8 Employee Benefits

i) Short Term Benefits

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

ii) Post Employment Benefits

Defined contribution plans

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

Defined Benefit plan

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

9 Foreign Exchange

Initial recognition

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

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

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are amortised on settlement / over the maturity period thereof. The unamortised balance is carried in the Balance Sheet as "Foreign currency translation account".

Accounting of forward contracts

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

the Balance Sheet date.

10 Derivative contracts

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

11 Employee Stock option based compensation

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

12 Investments

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

13 Provisions and Contingencies

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

14 Income Tax

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

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

15 Impairment of Assets

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

16 Use of Estimates

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



Note No. 2- SHARE CAPITAL

a) Share capital

Particulars	As at	As at
	31.03.2012	31.03.2011
	₹ in mn	₹ in mn
Authorised 750,000,000 (Previous year 750,000,000) equity shares of ₹10/-each	7,500.00	7,500.00
Shares issued, subscribed and fully paid up 294,973,571 (Previous year 294,973,571) equity shares of ₹10/-each	2,949.74	2,949.74

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

Particulars	Shares (Nos.)	
	For the year ended 31.03.2012	For the year ended 31.03.2011
Equity shares outstanding at the beginning of the year	294,973,571	294,547,401
Equity shares issued during the year	-	426,170
Equity shares outstanding at the end of the year	294,973,571	294,973,571

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

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

Name of the shareholders	As at 31.03.2012		As at 31.03.2011	
	No. of shares	%	No. of shares	%
Life Insurance Corporation of India Limited	53,153,112	18.02%	47,516,154	16.11%
Reliance Capital Trustee Company Limited	18,271,917	6.19%	18,171,917	6.16%

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

(e) Shares reserved for issue

Particulars	As at 31.03.2012	As at 31.03.2011
Equity shares for Employee stock options (ESOP)* (Nos.)	1,867,505	2,102,839

*for terms of ESOP, refer note no. 25 b

Note No. 3-RESERVES AND SURPLUS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
(i) Securities premium account		
Opening balance	17,005.74	15,917.45
-Transferred from ESOP Outstanding A/c on exercise of ESOP	-	23.19
-Received on exercise of ESOP	-	9.10
-Share in amount received pursuant to equity shares issued by subsidiary company	-	1,351.22
Share of securities premium of associate company on issue of equity shares	72.58	-
Share of securities premium of associate company on issue of compulsorily convertible preference shares	-	40.52
Less: Share in share issue expenses (net of taxes) incurred by subsidiary company	-	(43.18)
Less: Adjustment on consolidation	-	(292.56)
Sub total (i)	17,078.32	17,005.74

(ii) Capital Reserve on Consolidation		
Balance brought forward	80.92	79.54
Add: Share of capital reserve in associate company	-	1.38
Less: Share of capital reserve in associate company	(0.12)	-
Sub total (ii)	80.80	80.92
(iii) Share option outstanding account		
Opening balance	109.25	313.15
Deductions during the year	(12.14)	(203.90)
Closing balance	97.11	109.25
Less: Deferred employee compensation	(7.46)	(30.88)
Sub total (iii)	89.65	78.37
(iv) Statutory reserve [in terms of Section 45-IC of the Reserve Bank of India Act, 1934]		
Opening balance	142.11	68.01
Additions during the year	308.09	74.10
Sub total (iv)	450.20	142.11
(v) General reserve		
Opening balance	1,546.43	1,130.87
Additions during the year	361.10	415.56
Sub total (v)	1,907.53	1,546.43
(vi) Contingency reserve		
Opening balance	10.47	10.47
Sub total (vi)	10.47	10.47
(vii) Surplus being balance in consolidated statement of profit & loss		
Opening balance	1,630.84	1,030.38
Adjustment on consolidation	1.57	(55.90)
Addition: Profit for the year	2,041.22	1,660.26
Deductions during the year:		
(a) Proposed dividend	(442.46)	(442.46)
(b) Transferred to statutory reserve	(308.09)	(74.10)
(c) Dividend tax on proposed dividend	(71.78)	(71.78)
(d) Transferred to general reserve	(361.10)	(415.56)
Sub total (vii)	2,490.20	1,630.84
Grand Total (i) +(ii)+(iii) +(iv) +(v)+(vi)+(vii)	22,107.17	20,494.88

Note No. 4 Long-term borrowings

(₹ in mn)

Secured	As at 31.03.2012			As at 31.03.2011		
	Non-current	Current	Total	Non-current	Current	Total
Infrastructure bonds (1)	2,016.91	-	2,016.91	420.86	-	420.86
Debentures (2)	1,566.66	333.34	1,900.00	1,900.00	1,000.00	2,900.00
Rupee term loans from banks (3)	1,960.22	108.60	2,068.82	2,332.44	45.45	2,377.89
External commercial borrowings from financial institution (4)	1,335.88	-	1,335.88	-	-	-
	6,879.67	441.94	7,321.61	4,653.30	1,045.45	5,698.75
Amount disclosed under the head "Other current liabilities"	-	441.94	441.94	-	1,045.45	1,045.45
	6,879.67	-	6,879.67	4,653.30	-	4,653.30

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

319,210 (previous year Nil) privately placed 8.93% / 9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Series 2) amounting to 15,96.05 mn allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 (Series 2) are to be 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 subsidiary (PFS) to provide the 100% security coverage.

2. 1,000 (previous year 1,000) privately placed 10.60% secured redeemable non-convertible debentures of ₹ 1,000,000 each (Series 1) allotted on October 1, 2009 redeemable at par in three equal annual installments commencing from September 30, 2012

Nil (previous year 1,000) privately placed 9.35% secured redeemable non-convertible debentures of ₹ 1,000,000 each (Series 2) allotted on February 3, 2010 redeemable at par entirely on February 2, 2012

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

Series 1, Series 2 and Series 3 are secured by way of mortgage of immovable building and first charge by way of hypothecation of the receivables of the loan assets created by the proceeds of respective debentures. Further, Series 1 and Series 3 have also been secured by pari passu charge by way of hypothecation of the receivable of loan assets created by the subsidiary (PFS) out of its own sources which are not charged to any other lender of the subsidiary (PFS) to the extent of 125% of debentures.

3. The term loans from banks are secured by first pari-passu charge by way of hypothecation of the current assets including book debts, investments and other receivables (other than assets created by line of credit of other financial institutions / banks) of the subsidiary (PFS). Additionally, the loans are backed by an agreement of assignment of the project assets financed from proceeds of the loans, in favour of respective lenders. Terms of repayment are as below:

S.No	Borrowing	Rate of Interest %	" No of Installment "	Tenure (years)	As at March 31, 2012	As at March 31, 2011
1	Rupee term loans from banks	11.90 / 12.00	48 equal quarterly installments	15	2,068.82	2,377.89

4. External Commercial Borrowings ("ECB") is 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. Terms of repayment are as below:

S.No	Borrowing	Rate of Interest %	" No of Installment "	Tenure (years)	As at March 31, 2012	As at March 31, 2011
1	ECB	3 M LIBOR +3.25%	36 equal quarterly installments	12	1,335.88	-

Note No. 5- DEFERRED TAX LIABILITIES (NET)

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
(a) Deferred tax liability on account of timing differences in:-		
Depreciation	151.66	167.85
Foreign currency monetary items account	28.19	-
Sub-total (a)	179.85	167.85
(b) Deferred tax asset arising on account of timing differences in:-		
Retirement benefits and other expenses	10.25	9.10
Preliminary expenses	1.33	3.87
Share issue expenses	20.79	27.72
Contingent provision against standard asset	20.79	5.76
Accrued expenses deductible on payment	5.45	-
Provision for diminution in non-current unquoted trade investment	9.50	-
Sub-Total (b)	68.11	46.45
Net deferred tax liabilities (a-b)	111.74	121.40

Note No. 6- LONG TERM PROVISIONS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Provision for employee benefits	25.81	27.20
Contingent provision against standard assets	64.08	17.77
Total	89.89	44.97

Note No. 7 - SHORT TERM BORROWINGS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Secured		
Term loans from banks*	281.00	-
Total	281.00	-

*Secured by way of pledge of fixed deposits with the concerned bank

Note No. 8- TRADE PAYABLES

a) Trade payables

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Trade payables - micro & small enterprises	-	-
Trade payables - others	12,656.49	5,586.96
Total	12,656.49	5,586.96

- b) Based on the information available with the Group, there are no dues as at March 31, 2012 payable to enterprises covered under " Micro Small and Medium Enterprises Development Act, 2006". As such, no interest is paid/payable by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

Note No. 9 OTHER CURRENT LIABILITIES

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Advances from customers	266.21	333.80
Security deposits received	63.15	72.48
Unpaid/ unclaimed dividend	6.18	6.21
Payable to Macquarie India Holdings Limited	-	807.76



Current maturities of long term borrowings	441.94	1,045.45
Equity share application money refundable	0.23	13.93
Statutory liabilities	25.80	33.38
Interest accrued but not due	122.15	92.62
Provision for expenses	0.34	0.22
Income received in advance	7.53	4.87
Other payables-employees	7.43	8.71
Total	940.96	2,419.43

Note No. 10- SHORT TERM PROVISIONS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Proposed dividend-equity shares	442.46	442.46
Dividend distribution tax on proposed dividend	71.78	71.78
Provision for employee benefits	7.43	3.55
Total	521.67	517.79

Note No. 11-FIXED ASSETS-TANGIBLE ASSETS

Description	Gross block-Cost/Book Value				Depreciation/Amortisation				Net block	
	As at 01.04.2011	Additions	Sales/ Adjustments	As at 31.03.2012	As at 01.04.2011	For the year	Adjustments	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
TANGIBLE ASSETS										
Land										
-Leasehold land - perpetual Lease	34.43	-	-	34.43	-	-	-	-	34.43	34.43
-Leasehold land - others	1.26	-	-	1.26	0.18	0.06	-	0.24	1.02	1.08
	-	-	-	-	-	-	-	-	-	-
Buildings	150.36	-	-	150.36	55.99	4.72	-	60.71	89.65	94.37
Furniture and fixtures	20.76	0.19	(0.17)	20.78	15.24	1.00	(0.15)	16.09	4.69	5.52
Vehicle	7.12	3.38	-	10.50	3.26	1.13	-	4.39	6.11	3.86
Plant and machinery	707.02	-	-	707.02	182.54	77.26	-	259.80	447.22	524.48
Office equipments	31.06	4.41	(2.60)	32.87	22.21	3.08	(2.27)	23.02	9.85	8.85
Capital expenditures not represented by capital asset	5.54	-	-	5.54	5.54	-	-	5.54	-	-
Total	957.55	7.98	(2.77)	962.76	284.96	87.25	(2.42)	369.79	592.97	672.59
Previous year	950.66	10.40	(3.51)	957.55	185.60	102.05	(2.69)	284.96	672.59	-

Note No. 12 - FIXED ASSETS - INTANGIBLE ASSETS

Description	GROSS BLOCK-Cost/Book Value				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.2011	Additions	Sales/ Adjustments	As at 31.03.2012	As at 01.04.2011	For the year	Adjustments	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
Computer software	17.96	1.39	(0.11)	19.24	8.10	3.98	(0.10)	11.98	7.26	9.86
Membership fee to power exchanges	3.00	-	-	3.00	2.53	0.37	-	2.90	0.10	0.47
Total	20.96	1.39	(0.11)	22.24	10.63	4.35	(0.10)	14.88	7.36	10.33
Previous year	9.49	11.47	-	20.96	7.68	2.95	-	10.63	10.33	-

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

Note No. 13- NON CURRENT INVESTMENTS

(a) Non current investments

(₹ in mn)

Particulars	Face value ₹	Quantity	Quantity	Amount	Amount
		as at 31.03.2012	as at 31.03.2011	as at 31.03.2012	as at 31.03.2011
Long term trade investments - Unquoted (At cost)					
Equity shares- fully paid up Associate companies					
- Krishna Godavari Power Utilities Limited	10	19,503,493	19,503,493	195.03	195.03
- Athena Energy Ventures Private Limited	10	150,000,000	129,750,000	1,558.38	1,281.80
- RS India Global Energy Limited	10	23,402,542	23,402,542	229.69	232.09
- Ind-Barath Energy (Utkal) Limited	10	105,000,000	105,000,000	1,050.00	1,050.00
- PTC Bermaco Green Energy Systems Limited	10	1,374,646	1,374,646	13.14	13.14
- RS India Wind Energy Limited	10	61,121,415	61,121,415	569.61	613.69

Particulars	Face value ₹	Quantity	Quantity	Amount	Amount
		as at 31.03.2012	as at 31.03.2011	as at 31.03.2012	as at 31.03.2011
- Varam Bio Energy Private Limited	10	4,390,000	4,390,000	-	3.51
Other company					
- Teestha Urja Limited	10	141,086,000	141,086,000	1,356.05	1,356.05
- Chenab Valley Power Projects Private Limited	10	100,000	-	1.00	-
- East Coast Energy Private Limited	10	133,385,343	125,000,000	1,333.85	1,250.00
- Meenakshi Energy and Infrastructure Holding P Limited (# ₹10)	10	1	1	#	#
- Meenakshi Energy Private Limited	10	114,417,873	100,341,081	1,144.18	1,003.60
- Ind-Barath PowerGencom Limited *	10	-	55,630,000	-	608.96
- Indian Energy Exchange Limited**	10	1,516,431	5,766,026	15.16	162.83

Particulars	Face value ₹	Quantity	Quantity	Amount	Amount
		as at 31.03.2012	as at 31.03.2011	as at 31.03.2012	as at 31.03.2011
Investments in fully paid up optionally convertible debentures of associates companies					
Varam Bio Energy Private Limited	500000	90	90	42.86	45.00
Long term trade investments - Quoted (At cost)					
Investment in fully paid up equity instruments of:					
Container Corporation of India Limited	10	-	1,040	-	1.03
Power Grid Corporation of India Limited	10	-	81,839	-	4.26
Long term non trade investments - Quoted (At cost)					
Mutual funds					
- 'Religare FMP Series XIV 378 Days Growth	10	5,500,000	-	55.00	-
- 'Kotak FMP Series 84 Growth	10	6,000,000	-	60.00	-
Total				7,623.95	7,820.99
Aggregate market value of quoted non current investments				115.00	9.59
Aggregate cost of quoted non current investments				115.00	5.28
Aggregate cost of unquoted non current investments				7,508.95	7,815.71

*ceased to be an associate w.e.f. September 28, 2011

**ceased to be an associate w.e.f. March 29, 2012

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

Note No. 14-LONG TERM LOANS AND ADVANCES

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Secured, considered good Financing Loan	10,860.83	6,235.41
Unsecured, considered good Loans and advances to employees	10.75	8.05
Security deposits	14.65	12.79
Advance income tax (Net of provision for income tax ₹ 1,643.45 mn, Previous year ₹1,630.65 mn)	49.34	7.71
Advance fringe benefit tax (net of provision for fringe benefit tax ₹ 7.56 mn, (Previous year ₹ 7.56 mn)	0.57	0.57
Prepaid expenses	0.10	0.01
Total	10,936.24	6,264.54

Note No. 15-OTHER NON CURRENT ASSETS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Premium on derivative contracts	133.91	-
Foreign currency translation account	86.90	-
Total	220.81	-

Note No. 16- CURRENT INVESTMENTS

(₹ in mn)

Particulars	Face Value ₹	Quantity	Quantity	Amount	Amount
		as at 31.03.2012	as at 31.03.2011	as at 31.03.2012	as at 31.03.2011
Current maturities of long term non trade investments - Quoted (At cost)					
Mutual funds					
- 'Reliance Fixed Horizon Fund XIX-Series 11 Growth	10	-	15,000,000	-	150.00
- 'FIDELITY FMP SR 5 PLAN e Growth	10	-	10,000,000	-	100.00
- 'JP Morgan FMP 367 D Series 1-Growth	10	-	30,000,000	-	300.00
- 'JP Morgan FMP 400D Series 1-Growth	10	-	20,000,000	-	200.00
- 'Birla Sun Life Fixed Term Plan Series CR Growth	10	-	10,000,000	-	100.00
- 'Birla Sun Life Fixed Term Plan Series CW Growth	10	-	15,000,000	-	150.00
- 'SBI Debt Fund Series 370 Days-10-Growth	10	-	10,000,000	-	100.00
-HDFC FMP 13M March 2010- Growth Series XII	10	-	20,000,000	-	200.00
-Axis Fixed Term Plan Series1(384Days)-Growth	10	-	20,000,000	-	200.00
-Canara Robeco -FMP- Series 5-13 Month (Plan A)-Growth	10	-	20,000,000	-	200.00
-L&T FMP Series- 12- PLAN 15M -March 10-I- Growth	10	-	15,000,000	-	150.00
-Religare FMP- Series- II Plan -A (13 Months)- Growth	10	-	30,000,000	-	300.00
-Reliance Fixed Horizon Fund -XIV-Series 2-Growth Plan	10	-	50,000,000	-	500.00
Short term investment non trade - Quoted (At cost)					
Mutual funds					
- JP Morgan India Short Term Income Fund -Growth Plan *	10	-	10,000,000	-	100.00
Short term investment- non trade (Unquoted) (At cost)					
Mutual funds					
- Franklin Templeton Money Plus Account	10	40,759	17,906	0.41	0.18
Total				0.41	2,750.18
Aggregate market value of quoted current investments				-	2,878.80
Aggregate cost of quoted current investments				-	2,750.00
Aggregate cost of unquoted current investments				0.41	0.18

Note No. 17- INVENTORIES

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Raw material-Coal*	397.93	-
Total	397.93	-

*Valued at lower of cost or net realizable value

Note No. 18- TRADE RECEIVABLES

a) Trade receivables

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Trade receivables outstanding for a period exceeding six months from the date they become payable		
- Secured, considered good	-	-
- Unsecured, considered good	13,593.88	854.64
Other Trade receivables		
- Secured, considered good	-	-
- Unsecured, considered good	12,287.75	9,145.53
Total	25,881.63	10,000.17



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

Note No. 19- CASH AND BANK BALANCES

- a) Cash and bank balances

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Cash and cash equivalents:-		
Cash on hand (including foreign currency)	0.19	0.13
Balance with banks:-		
a) Current accounts	436.92	1,951.44
b) Term deposits	1,065.51	5,470.47
c) In earmarked accounts		
- received on behalf of Macquarie India Holdings Limited lying in escrow account	807.76	-
- unclaimed share application money lying in escrow account	0.23	13.93
Sub total (i)	1,502.85	8,243.73
Other bank balances:-		
a) Term deposits	1,209.31	3,632.90
b) Dividend accounts	6.18	6.21
Sub total (ii)	1,215.49	3,639.11
Grand Total (i) +(ii)	2,718.34	11,882.84

Notes:

- (i) Balances with banks include deposits amounting to ₹ 70.80 mn (previous year ₹146.52 mn) which have an original maturity of more than 12 months
- (ii) Includes ₹ 23.51 mn (previous year ₹ 23.51 mn) deposits as margin money against bank guarantee.
- (iii) Includes ₹ 1,000 mn (previous year Nil) pledged against short-term borrowing.
- (iv) Term deposits of Nil (Previous year ₹ 310 mn) have been pledged with banks against letter of credit.

Note No. 20-SHORT TERM LOANS AND ADVANCES

- a) Short term loans and advances

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Secured, considered good		
Advance for supply of certified emission reduction units	-	218.77
Loans financing	1,350.00	350.00
Sub Total (i)	1,350.00	568.77

Particulars	As at 31.03.2012	As at 31.03.2011
Unsecured, considered good		
Loan and advances to related parties:-		
(i) Joint venture company		
- Barak Power Private Limited*	-	0.77
(ii) Associate Company		
-Krishna Godavari Power Utilities Limited (Advance against investment)	180.50	-
Employees loans and advances	4.64	2.70
Advance for supply of certified emission reduction units	-	53.61
Security deposit	182.32	142.26
Prepaid expenses	4.11	35.03
Open access advances	341.59	244.18
Cash and cash equivalent with port folio managers	-	0.62
Service tax credit	3.66	8.55
Advance income tax (net of provision for income tax ₹ 1116.64, Previous year ₹ 168.77 mn)	8.58	88.64
Advance fringe benefit tax (net of provision for fringe benefit tax ₹ 0.03 mn, (Previous year ₹ 0.51 mn)	0.09	0.12
Advance to trade payables	95.43	4.94
Other advances	16.20	42.76
Sub Total (ii)	837.12	624.18
Grand Total (i) +(ii)	2,187.12	1,192.95

*Liquidated on 11 October, 2011

- b) Loans and advances due from directors-NIL.

Note No. 21- OTHER CURRENT ASSETS

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Secured, considered good		
Current maturities of long term loan financing	450.20	170.47
Sub Total (i)	450.20	170.47
Unsecured, considered good		
Interest accrued and due on:		
Loan financing	34.11	-
Interest accrued but not due on:		
Fixed deposits	84.72	105.92
Debentures	-	0.28
Loan financing	69.81	32.35
others	3.88	3.62
Sub total (ii)	192.52	142.17
Grand Total (i) +(ii)	642.72	312.64

Note No. 22- REVENUE FROM OPERATIONS

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Sale of electricity	75,421.59	88,574.03
Sale of coal	1,222.63	927.77
Rebate on purchase of power	778.59	1,245.79
Service charges	79.65	90.90
Surcharge on sale of power	271.91	105.39
Interest income from		
(i) Loan financing	1,323.65	735.21
(ii) Debentures	5.90	7.35
Other operating income		
(i) Dividend income on:		
- Non-current unquoted trade investment		
Equity shares	-	0.14
- Current unquoted non- trade investment		
Mutual funds	-	16.91
(ii) Profit on sale of Investment in non-current unquoted trade investment		
- Equity shares	1,071.69	123.48
(iii) Profit on sale of investments in non-current quoted non-trade investment		
- Equity shares	4.55	-
(iv) Profit on sale of investments in current unquoted non- trade investment		
- Mutual funds	63.96	-
(v) Fixed deposits	196.38	51.41
(vi) Fee based income	97.33	110.25
(vii) Sale of services (Consultancy)	1.18	15.71
(viii) Income from certified emission reduction units	46.27	-
Total	80,585.28	92,004.34

Note No. 23- OTHER INCOME

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Interest income	219.38	423.44
Dividend		
- from current investments-non trade	28.48	176.67
Profit from sale of investment		
- on current investments-non trade (net)	11.61	8.58
- on long term investments-non trade (net)	<u>248.20</u>	5.74
Rental Income	1.63	5.42
Excess provision written back	0.21	0.24
Foreign currency fluctuation (net)	3.56	-
Miscellaneous income	3.87	0.83
Total	516.94	620.92

Note No. 24-Cost of coal consumed

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Opening stock	-	-
Purchases	458.72	-
Less: Consumed by project developer i.e. M/s Simhapuri Energy Private Limited	(60.80)	-
Less: Closing stock	(397.92)	-
Total	-	-

Note No. 25-EMPLOYEE BENEFITS EXPENSE

a) Employee benefits expense

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Salaries and wages	132.18	123.19
Contribution to provident fund	6.57	5.66
Gratuity	2.55	5.26
Staff welfare expenses	20.08	15.86
Employee compensation expense (ESOP)	12.18	(52.66)
Total	173.56	97.31

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

i) Particulars of scheme

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

ii) Details of vesting:

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

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

Particulars	As at 31.03.2012		As at 31.03.2011	
	Number of shares (Nos)	Weighted average exercise price (₹)	Number of shares (Nos)	Weighted average exercise price (₹)
Outstanding at the beginning of the year	2,102,839	36.25	5,540,376	35.01
Forfeited/ surrendered during the year	235,334	34.34	3,011,367	34.66
Exercised during the year	-	-	426,170	31.34
Outstanding at the end of the year	1,867,505	36.49	2,102,839	36.25
Exercisable at the end of the year	738,072	28.61	107,129	41.62
Weighted average remaining contractual life (in years)	2.73	-	3.73	-

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

Particulars	As at 31.03.2012	As at 31.03.2011
Range of exercise prices (₹)	10 to 64.20	10 to 64.20
Number of options outstanding	1,867,505	2,102,839
Weighted average remaining contractual life of options (in years)	2.73	3.73
Weighted average exercise price (₹)	36.49	36.25

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

a) Effect on profit & loss:-

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Employee compensation cost pertaining to ESOP Plan during the year	9.92	(44.89)

b) Effect on financial position:-

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Liability for employee stock options outstanding as at the year end	91.87	103.95
Deferred compensation cost outstanding as at the year end	6.35	28.36

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

Particulars	Options granted in the year 2009-10	Options granted in the year 2008-09
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

(vii) The subsidiary (PFS) instituted the Employee Stock Option Plan - ESOP 2008 to grant equity based incentives to all its eligible employees. During the year ended March 31, 2009, the first tranche of ESOP was approved by the shareholders on October 27, 2008 and the subsidiary (PFS) granted two types of options i.e. Growth options granted to the employees and exercisable at intrinsic value as on the date of grant as certified by an independent valuer and Founder Member Options exercisable at face value of shares i.e. ₹ 10 per share, representing one share for each option upon exercise. Further, during the year ended March 31, 2010, second tranche of ESOP 2008 was approved by the shareholders on October 23, 2009 and provided for grant of 10,075,000 growth options exercisable at a price of ₹ 16 per share, representing one share for each option upon exercise. The maximum tenure of vesting period of these options granted is 4 years from the respective date of grant.

Movement in Stock Options	Year ended 31.03.2012		Year ended 31.03.2011	
	(in Nos.)		(in Nos.)	
	Growth Options	Founder Member Options	Growth Options	Founder Member Options
Outstanding at the beginning of the year	4,447,100	10,000	18,395,500	1,210,000
Less: Forfeited/ surrender during the year	64,500	-	13,948,400	1,200,000
Options outstanding as at the end of the year	4,382,600	10,000	4,447,100	10,000

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

Particulars	Options granted during the year ended March 31, 2010	Options granted during the year ended March 31, 2009	
	Growth Options	Growth Options	Founder member Options
Price Per Option (₹)	16	16	10
Volatility	29.64%	73.60%	73.60%
Risk Free Rate of Interest	7.27%	7.00%	7.00%
Option Life (years)	5	5	5
Fair Value Per Option	10.55	11.36	12.76

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

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

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Profit as reported for the year	2,041.22	1,660.26
Add: Employee stock compensation under intrinsic value method	12.18	(52.66)
Less: Employee stock compensation under fair value method	27.28	(101.30)
Pro forma profit	2,026.12	1,708.90

ix) Earnings per share (₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Basic		
- As reported	6.92	5.64
- As pro forma	6.87	5.80
Diluted		
- As reported	6.90	5.61
- As pro forma	6.85	5.77

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

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

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Present value of obligation	24.28	24.34	0.75	0.74	10.82	9.93
Fair value of plan assets	-	-	-	-	2.60	4.26
Net asset / (liability) recognized in Balance Sheet	(24.28)	(24.34)	(0.75)	(0.74)	(8.22)	(5.67)

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

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Present value of obligation as at the beginning of the year	24.34	14.66	0.74	0.73	9.93	4.45
Interest cost	2.07	1.17	0.06	0.06	0.85	0.36
Current service cost	3.41	3.60	-	-	1.64	1.50
Benefits paid	(2.84)	(0.66)	(0.08)	(0.07)	(1.97)	(0.08)
Actuarial (gain)/loss on obligation	(2.70)	5.57	0.03	0.02	0.37	3.70
Present value of obligation as at the end of year	24.28	24.34	0.75	0.74	10.82	9.93

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

(₹ in mn)

Particulars	"Gratuity (Funded) As at 31.03.2012"	Gratuity (Funded) As at 31.03.2011
Fair value of plan assets as at the beginning of the year	4.26	4.07
Expected return on plan assets	0.34	0.32
Actuarial gain/(loss) on obligation	(0.03)	(0.05)
Benefits paid	(1.97)	(0.08)
Fair value of plan assets as at the end of the year	2.60	4.26

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

Particulars	Gratuity (Funded) As at 31.03.2012"	Gratuity (Funded) As at 31.03.2011
Administered by ICICI Prudential Life Insurance	98.68%	99.31%
Bank balance	1.32%	0.69%

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

(₹ in mn)

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Current service cost	3.41	3.60	-	-	1.64	1.50
Interest cost	2.07	1.17	0.06	0.06	0.85	0.36
Expected return on plan assets	-	-	-	-	(0.34)	(0.33)
Net actuarial (gain)/ loss recognized in the year	(2.70)	5.57	0.03	0.02	0.40	3.75
Expenses recognized in the consolidated statement of profit and loss	2.78	10.34	0.09	0.08	2.55	5.28

The Group expects to contribute ₹ 2.15 mn to gratuity and ₹ 2.66 mn to leave encashment in 2012-13.

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

(₹ in mn)

Sr. No.	Particulars	One percent point increase in medical inflation rate	One percent point decrease in medical inflation rate
I	Increase/(decrease) on aggregate service and interest cost of post retirement medical benefits	0.006	(0.003)
II	Increase/(decrease) on present value of defined benefit obligations as at 31 March, 2012	0.053	(0.048)

vii) Economic Assumption:

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

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Discounting rate	8.50%	8.00%	8.50%	8.00%	8.50%	8.00%
Future salary increase	6.00%	5.50%	6.00%	5.50%	6.00%	5.50%
Expected Rate of return on plan assets	N. A.	N. A.	N. A.	N. A.	8.00%	8.00%
Expected average remaining working lives of employees in number of years	23.36 to 27.07	21.98 to 27.01	N.A.	N.A.	23.36 to 27.07	21.98 to 27.01

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

(₹ in mn)

Particulars	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Experience adjustments on present value of gratuity obligation	(0.70)	(3.71)	0.06	(0.50)
Experience adjustments on plan assets of gratuity	(0.04)	(0.05)	0.01	(0.04)
Experience adjustments on present value of leave encashment obligation	2.55	(5.63)	1.37	(1.99)

ix) Demographic assumptions

Particulars	Leave encashment (Unfunded)		Post-employment medical benefits (Unfunded)		Gratuity (Funded)	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Mortality table	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Ages	Withdrawal rates					
upto 30 years	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
from 31 to 44 years	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

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

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

Defined contribution plans	Year ended 31.03.2012	Year ended 31.03.2011
Provident fund	6.57	5.66

Note No. 26-FINANCE COSTS

a) Finance cost

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
a) Interest cost on:		
- Infrastructure bonds	45.85	0.97
-Interest expense on short term loans	250.38	5.31
-Debentures	279.95	216.59
-Rupee term loans from scheduled banks	291.45	208.95
-External commercial borrowings from financial institutions	25.58	-
-Interest on income tax	0.52	-
-Rupee term loans from scheduled banks	0.33	0.64
-Others	9.24	5.92
b) Other charges on external commercial borrowings from financial institutions	41.90	16.59
c) Other borrowing cost	0.10	-
Total	945.30	454.97

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

Note No. 27-OTHER EXPENSES

a) Other expenses

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Rent	1.35	0.64
Repairs to building	3.62	2.85
Repairs to machinery - Wind mill	14.13	7.03
Insurance	1.64	0.85
Rates and taxes	12.17	3.74
Auditors' remuneration	2.85	2.23
Contingent provision against standard assets	46.30	17.77
Legal & professional charges	73.73	46.74
Consultancy expenses	31.24	21.14
Advertisement	6.86	4.83
Communication	10.64	6.57
Business development	11.45	12.98
Travelling and conveyance expenses	25.23	19.57
Printing & stationery	3.36	3.41
Fees & expenses to directors	2.43	3.38
Repair & Maintenance - Others	4.09	3.15
Bank charges	7.35	10.49
EDP expenses	0.87	1.26
Books & periodicals	0.33	0.31
Water & electricity expenses	4.05	3.71
Investment written off	0.52	-
Commission and brokerage	48.01	11.27
Loss on foreign currency translation	12.13	0.04
Security expenses	1.40	1.31
Property tax	0.60	0.60
Incidental expenses during construction period written off	-	0.77
Loss on sale of fixed assets	-	0.04
Other general expenses	29.64	8.68
Charity & donation	1.30	0.66
Total	357.29	196.02

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

a) ₹ 0.66 mn has been debited to the statement of profit and loss (Previous year ₹ 0.64 mn).

b) Details of future lease payments

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Year up to 1 year	0.61	0.66
Years later than 1 year and not later than 5 years	NIL	0.61
Years later than 5 years	Nil	Nil

Note No. 28-EXCEPTIONAL ITEMS

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Loss on sale of fixed assets (net)	(0.28)	(0.38)
Excess provision written back	2.94	2.05
Total	2.66	1.67

Note No. 29-PRIOR PERIOD ITEMS

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Legal & professional charges	-	0.05
Rent	1.22	-
Others	-	0.04
Total	1.22	0.09

Note No 30- EARNINGS PER EQUITY SHARE

(₹ in mn)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Opening equity shares (Nos. in mn)	294.97	294.55
Equity shares issued during the year (Nos. in mn)	-	0.43
Closing equity shares (Nos. in mn)	294.97	294.97
Weighted average number of equity shares used as denominator for basic earnings (Nos. in mn)	294.97	294.63
Weighted average number of equity shares used as denominator for diluted earnings (Nos. in mn)	295.66	296.06
Net profit after tax used as numerator (Amount in ₹ mn)	2,041.22	1,660.26
Basic earnings per share (Amount in ₹)	6.92	5.64
Diluted earnings per share (Amount in ₹)	6.90	5.61
Face value per share (Amount in ₹)	10.00	10.00

Note No. 31 - OTHER INFORMATION

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

Segment-wise Revenue, Results and Capital Employed

(₹ in mn)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Segment revenue		
Power trading	76,452.64	89,928.59
Investment	2,811.68	1,044.98
Unallocated	1,840.84	1,653.74
Revenue from operations	81,105.16	92,627.31

(₹ in mn)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Segment profit before tax		
Power trading	1,402.25	1,365.45
Investment	1,864.30	529.40
Unallocated	269.67	605.63
Total profit before tax	3,536.22	2,500.48
Less: Tax Expenses	942.06	732.75
Profit after tax	2,594.16	1,767.73
Add: Profit/(loss) of associates	(1.38)	69.04
Less: Minority interest	(551.56)	(176.51)
Net profit after tax	2,041.22	1,660.26

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Segment assets		
Power trading	26,493.64	10,359.70
Investment	19,085.07	15,444.68
Unallocated	5,630.77	15,102.85
Total assets	51,209.48	40,907.23

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Segment liabilities		
Power trading	12,960.14	5,724.72
Investment	7,872.87	5,940.54
Unallocated	648.41	1,678.59
Total liabilities	21,481.42	13,343.85

(₹ in mn)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Capital expenditure during the Year		
Power trading	5.83	5.88
Investment	3.35	5.50
Unallocated	0.19	1.00
Total capital expenditure	9.37	12.38

(₹ in mn)

Depreciation/amortization during the Year	Year Ended 31.03.2012	Year Ended 31.03.2011
Power trading	13.09	12.01
Investment	1.01	0.53
Unallocated	77.50	92.46
Total depreciation/amortization during the Year	91.60	105.00

(₹ in mn)

Non cash expenses (other than depreciation/amortisation) during the year	Year Ended 31.03.2012	Year Ended 31.03.2011
Power trading	10.72	0.38
Investment	60.70	17.81
Unallocated	-	0.77
Total	71.42	18.96

- b) Commitments:

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011
Loan Financing	745.37	1337.80
Share of estimated amount of contracts remaining to be executed on capital account and not provided for of associate companies.	3271.82	5042.80*
Guarantees	999.39	-

* excluding ₹ 956.49 mn on account of share in capital commitments of R. S. India Wind Energy Private Limited



c) Details of contingent liabilities:

i) Claims against the Group not acknowledged as debt:

(₹ in mn)

Particulars	As at 31.03.2012	As at 31.03.2011	Remarks
Claims of suppliers	1,285.64	1,285.64	1. Out of total claims, ₹ 849.50 mn pertains to claim of Himachal Pradesh State Electricity Board. The arbitrator concluded the arbitration in favour of PTC on 31.10.2008, however HPSEB has contested the award in the High Court of Himachal Pradesh. 2. Gujarat Urja Vikas Nigam Limited(GUVNL) has raised bills for compensation for an amount of ₹ 432.77 mn. GUVNL has filed a petition before GERC for direction of payment. In the opinion of the Company and also as per legal opinion, the said compensation is not payable and PTC has challenged the contention of GUVNL. GERC has held that it had jurisdiction to hear the matter and PTC has filed an appeal against the said judgement before APTEL meanwhile the proceedings before GERC continue till the pendency of appeal before APTEL."
Income tax demands	43.36	2.15	
Others*	37.95	541.15	
Total	1,366.95	1,828.94	

*includes Rs. 35.35 mn (Previous Year Rs. 538.57 mn) share in associates' contingent for corporate guarantee and counter guarantee

ii) Bank guarantees :

(₹ in mn)

As at 31.03.2012	As at 31.03.2011
1160.72	5654.60

*includes Rs. 346.50 mn (Previous Year Nil) share in associate's bank guarantees

iii) *Letter of Credit:

(₹ in mn)

As at 31.03.2012	As at 31.03.2011
NIL	400.97

*against energy banking

*includes ₹ Nil (Previous Year Rs.200.97 mn) share in associates' Letter of Credit

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

(₹ in mn)

Name of Related Party	Influence	Nature of Transaction	Year ended 31.03.2012	Year ended 31.03.2011
NTPC Limited.	Significant Influence	Director sitting fees to nominee directors	0.16	0.08
Power Grid Corporation of India Limited.	Significant Influence	Director sitting fees to nominee directors	-	0.14
		Services received (wheeling charges)	1.54	1.71
Power Finance Corporation Limited	Significant Influence	Director sitting fees to nominee directors	0.08	0.12
		Pledging of shares (Refer note no.13 b)		
NHPC Limited	Significant Influence	Director sitting fees to nominee directors	0.14	0.32
		Electricity traded through IEX	805.94	-
		Services charges (IEX) (excluding service tax of ₹ 1.24 mn)	12.08	-
Barak Power Private Limited*	Joint Venture	Equity contribution	0.35	-
		Investment written off	0.85	-
Krishna Godavari Power Utilities Limited	Associate	Share application money given to associates	180.50	-
Athena Energy Ventures Private Limited	Associate	Equity contribution	202.50	817.50
		Director sitting fees for nominee directors	0.08	-
		Payment of expenses by associate on behalf of the Company	0.04	0.04
Indian Energy Exchange Limited	Associate	Sale of investment in equity shares capital (at face value)	-	11.73
PTC Bermaco Green Energy Systems Limited	Associate	Equity contribution	-	5.31
RS India Wind Energy Limited	Associate	Equity contribution	-	38.10
Varam Bio Energy Private Limited	Associate	Investment in Debenture	-	25.00

Key Management Personnel

(₹ in mn)

Name	Position	Nature of Transaction	Year ended 31.03.2012	Year ended 31.03.2011
Mr. T.N.Thakur	Chairman & Managing Director	Directors remuneration	11.88	11.03
		Amount received on sale of asset	-	0.11
Mr. Shashi Shekhar #	Director	Directors remuneration	-	4.10
Mr. Deepak Amitabh	Director	Directors remuneration	6.23	5.84
		Amount received by Company on exercise of ESOP	-	1.01

Name of Related Party	Influence	Nature of Transaction	Year ended 31.03.2012	Year ended 31.03.2011
Mr. Ashok Haldia	Director	Directors remuneration	5.19	4.51
Mr. Pawan Singh	Director	Directors remuneration	0.65	-
Mr. Arun Kumar	Director	Directors remuneration	3.34	2.26
		Amount received by company on exercise of ESOP		1.93

#ceased to be director on 17 January, 2011

Investment Outstanding

(₹ in mn)

Name of the company	Relationship	As at 31.03.2012	As at 31.03.2011
Athena Energy Ventures Private Limited	Associate	1,558.38	1,281.80
Krishna Godavari Power Utilities Limited	Associate	195.03	195.03
Ind-Barath Energy (Utkal) Limited	Associate	1,050.00	1,050.00
Ind-Barath PowerGenCom Limited**	Associate	-	608.96
India Energy Exchange Limited ***	Associate	15.16	162.83
PTC Bermaco Green Energy Systems Limited	Associate	13.14	13.14
RS India Wind Energy Limited	Associate	569.61	613.69
Varam Bio Energy Private Limited	Associate	-	3.51
RS India Global Energy Limited	Associate	229.69	232.09

Investment in debenture outstanding:

(₹ in mn)

Name of the Company	Relationship	As at 31.03.2012	As at 31.03.2011
Varam Bio Energy Private Limited	Associates	42.86	45.00

As per our report of even date attached
For K G Somani & Co.
Chartered Accountants
Firm Regn. No. 006591N

(Bhuvnesh Maheshwari)
Partner
M.No.088155

Date: May 30, 2012
Place: New Delhi

Loan Financing

(₹ in mn)

Name of the Company	Relationship	As at 31.03.2012	As at 31.03.2011
Varam Bio Energy Private Limited	Associates	6.18	-

Balance Outstanding

(₹ in mn)

Name of the Company	Relationship	Nature	As at 31.03.2012	As at 31.03.2011
NHPC Limited	Significant Influence	Balance payable	219.61	-
Athena Energy Ventures Private Limited	Associate	Balance payable	0.01	0.02
Barak Power Private Limited*	Joint venture	Balance recoverable	-	0.77

*Liquidated on 11 October, 2011

** ceased to be an associate on September 28, 2011

*** ceased to be an associate on March 29, 2012

e) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending the Accounting Standard 11, the subsidiary company (PFS) has exercised the option as per Para 46A inserted in the Standard for all long term monetary assets and liabilities. Consequently an amount of ₹ 86.90 mn (without considering tax benefit of ₹ 28.19 mn) is carried forward in the Foreign currency translation account as on March 31, 2012.

Had the earlier method of accounting been followed for the above items, the net profit for the year ended March 31, 2012 would have been lower by ₹ 58.71 mn (net of taxes) before minority interest and ₹ 35.23 mn after minority interest.

f) Certain balances with parties are subject to confirmation.

g) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

h) Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the consolidated financial statements for the year ended 31 March, 2012 are prepared as per Revised Schedule VI. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of consolidated financial statements. However, it has significant impact on presentation and disclosures made in the consolidated financial statements. Accordingly, the previous year figures have also been reclassified/ regrouped/ rearranged to conform to this year classification.

For and on behalf of the Board of Directors

(Deepak Amitabh)
Director
DIN 01061535

(Tantra Narayan Thakur)
Chairman & Managing Director
DIN 00024322

(Rajiv Maheshwari)
Company Secretary



Statement Pursuant to Section 212 of the Companies Act, 1956

1	Name of the Company	PTC India Financial Services Limited	PTC Energy Limited
2	No. of Shares held by PTC India Limited Face value	337,250,001 ₹ 10 each	55,000,000 ₹ 10 each
3	Extent of Holding	60%	100%
4	Financial Year of the Subsidiary ended on	March 31, 2012	March 31, 2012
5	The net aggregate amount of Profits/(Losses) of the subsidiary companies for the current year so as far as these concern the member of Holding Company	(Amount in ₹ Millions)	(Amount in ₹ Millions)
a	Dealt with or provided for in the accounts of Holding Company:	NIL	NIL
b	Not dealt with or provided for in the accounts of Holding Company:	924.26	28.81
6	The net aggregate amount of Profits/(Losses) of the subsidiary companies for previous financial years of the Subsidiary so as far as these concern the member of Holding Company		
a	Dealt with or provided for in the accounts of Holding Company:	NIL	NIL
b	Not dealt with or provided for in the accounts of Holding Company:	425.47	0.99

For and on behalf of the Board of Directors

(Deepak Amitabh)
Director
DIN 01061535

(Tantra Narayan Thakur)
Chairman & Managing Director
DIN 00024322

(Rajiv Maheshwari)
Company Secretary

Date: May 30, 2012
Place: New Delhi

Statement/Information in respect of each Subsidiary Company of PTC India Limited

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

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

(₹ in mn)

Sl.No.	Particulars	PTC Financial Services Limited	PTC Energy Limited
(a)	Capital	5,620.83	550.00
(b)	Reserves	6,098.80	29.80
(c)	Total Assets	19,643.09	589.53
(d)	Total Liabilities	19,643.09	589.53
(e)	Investments (Net of provision)	4,211.01	234.03
(f)	Turnover	3,066.39	1,608.48
(g)	Profit before taxation	2,016.41	42.76
(h)	Provision for taxation	475.99	13.95
(i)	Profit after taxation	1,540.43	28.81
(j)	Proposed dividend	-	-

Note:-

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





PTC INDIA LTD.

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

Attendance slip

13th Annual General Meeting-21st September, 2012

Regd. Folio no. / DP Client ID

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No. of shares

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

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

I hereby record my presence at the 13th Annual General Meeting of the Company to be held on 21st September, 2012 at 04:30 p.m. at FICCI, 1 Foundation House, Tansen Marg, New Delhi – 110001.

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

.....
Signature of member / proxy

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





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

PROXY FORM
13th Annual General Meeting- 21st September, 2012

Regd. Folio no. / DP Client ID

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

I/Weof
in the district of being a member
members of the above – named company hereby appoint of
in the district of.....or failing him
of.....in the district of as my/our
proxy to vote for me/us on my/our behalf at the THIRTEENTH ANNUAL GENERAL MEETING of the
company to be held on the 21st September, 2012 and at any adjournment(s) thereof.

Signed this day of 2012.

Signature of member
(affix Revenue Stamp of appropriate value)

Name & Address

Proxy no.

NOTES:

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



Format of Application for payment of dividend through ECS

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

Unit - PTC

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

Name of the shareholder: _____

Re: Payment of Dividend through ECS

Dear Sir,

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

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

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

Yours faithfully _____

(Signature of the first/sole shareholder)

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





Notes

Lined area for writing notes, consisting of 25 horizontal lines.



PTC INDIA LIMITED

Tel: 011-41659500

Fax: 011-41659144

Website: www.ptcindia.com