



**ANNUAL REPORT
OF
PTC ENERGY LIMITED
FY 2019-20**

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BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ('Company' or 'PTC Energy Limited' or 'PEL') along with the audited financial Statements of the Company for the financial year ended March 31, 2020.

1. Financial Performance

The financial highlights of your company for the year FY 2019-20 vis-à-vis FY 2018-19 are as follows:

(Rs. in crore)

	Particulars (standalone)	FY 2019-20	FY 2018-19
I	Income	310.27	337.03
II	Expenditure	282.12	262.95
III	Profit/(Loss) Before Tax (I-II)	28.15	74.08
IV	Provision for Tax		
	Current Tax (MAT)	-	15.96
	Minimum Alternate Tax credit entitlement	15.96	(15.96)
	Current Tax of prior periods	0.03	0.23
	Deferred Tax Charge/(Credit)	2.78	22.23
V	Net Profit After Tax (III-IV)	9.38	51.62
VI	Other Comprehensive Income/(Loss)	(0.02)	(0.01)
VII	Total Comprehensive Income for the year (V+VI)	9.36	51.61
	Earnings per share	0.14	0.79
	Equity Share Capital	654.11	654.11
	Other Equity	54.97	45.60

2. Results of operations and State of Company's Affairs

In its pursuit to enter in to renewable energy sector, your Company had made a beginning in FY 2016. At present, the Company has renewable energy portfolio of 288.8 MW consisting of 50 MW wind power projects in Madhya Pradesh, 50 MW wind power project in Karnataka and 188.8 MW wind power projects in Andhra Pradesh.

The Company has earned revenue from operations of Rs. 304.63 crore during the year as compared to revenue of Rs. 331.47 crore in FY 2018-19. The Company has earned total income of Rs. 310.27 crore in FY 2019-20. The generation has been lower as compared to last year mainly due to low wind availability and curtailment.

3. Reserves

The balance in Reserves & Surplus for FY 2019-20 has increased to Rs. 54.97 crore from Rs. 45.60 crore as Company has earned profit after tax of Rs. 9.37 crore in FY 2019-20.

The Board has not proposed transfer of any amount to the General Reserve for the financial year ended March 31, 2020.

4. Dividend

The Directors of your Company have not recommended any dividend for the financial year ended 31st March 2020.

5. Changes in the Nature of Business

There has been no change in the nature of the business of the Company during the financial year under review.

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

There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates (i.e. March 31, 2020) and the date of the report.

7. Changes in the Capital Structure

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

As on March 31, 2020, your Company has Authorized Share Capital of Rs. 15,000,000,000 and the paid up share capital of the Company as at March 31, 2020 aggregates to Rs. 654,11,74,940/- comprising of 65,41,17,494 Equity shares of Rs. 10 each fully paid and entire capital is held by PTC India Limited along with its 6 nominees holding 1 share each.

8. Subsidiaries, Associates and Joint Ventures

Since your Company does not have any subsidiary, the provisions of sub-section (3) of Section 129 of the Companies Act, 2013 are not applicable to it.

However, the Company is having an associate namely RS India Global Energy Limited (RSIGEL).

Your Company had invested Rs. 23.40 crore constituting 48% equity in RS India Global Energy Limited (RSIGEL) with a view to undertake joint development of wind farm in Tamil Nadu. The Company came to know that RSIGEL and its promoters had made several

misrepresentations. On prudent basis, the Company had already made complete 100% provision for diminution in value of investment in FY 2014-15 without considering the underlying value of investment. The Company is taking suitable steps under law to safeguard its investments and recover the same including enforcing its rights as shareholder and is contemplating other legal recourses. Thus, the consolidated accounts of PTC Energy are without including the financials of RSIGEL and financial highlights of the Associate Company for the year ended 31st March, 2020 has not been annexed with this report.

9. Holding Company

PTC India Ltd. is the holding Company of PTC Energy Ltd. Your Company is a wholly owned subsidiary of PTC India Ltd.

10. Related party transactions

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Company has not entered in to any material Related Party Transaction.

The Company disclosed all related party transactions in relevant **Note 29.9** to the Financial Statements of the year.

11. Directors' Responsibility Statement

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

- (a) In the preparation of the annual accounts for the year ended 31st March 2020, the applicable accounting standards have been followed and there are no material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2020 and of the profit and loss of the company for the period ended on that date;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Directors & Key Managerial Personnel

The composition of the Board of directors as on date is as follows:-

S. No.	Name of the Director	Designation
1.	Sh. Deepak Amitabh	Chairman, Nominee Director
2.	Dr. Rajib Kumar Mishra*	Managing Director
3.	Sh. Dharendra Swarup	Independent Director
4.	Ms. Bharti Prasad	Independent Director
5.	Sh. Pawan Singh	Nominee Director
6.	Smt. Pravin Tripathi	Independent Director
7.	Sh. Rabindra Nath Nayak	Independent Director
8.	Sh. Harish Saran**	Nominee Director

* Appointed as MD w.e.f. 16th July 2020

** Appointed as Director w.e.f. 16th July 2020

In accordance with provisions of the Companies Act, 2013 and Articles of Association of the Company, Dr. Pawan Singh (DIN 00044987) Director would retire by rotation at the ensuing Annual General Meeting and being eligible has offered themselves for re-appointment.

Ms. Bharti Prasad, Independent Director of PTC has been appointed as an Independent Director on the Board of the Company w.e.f. 7th May 2019. The Board also re-appointed Sh. Dharendra Swarup, Smt. Pravin Tripathi and Sh. R.N. Nayak as Independent Directors w.e.f. 13th May 2019 for the period up to 31st December 2020 and the same was approved by shareholders in AGM held last year.

Shri Ajit Kumar (DIN 06518591) has ceased to be Managing Director and Director w.e.f. 16th July 2020 consequent upon completion of his tenure as MD. Your Directors place on record its deep appreciation for Sh. Ajit Kumar for work done by him during his tenure as Managing Director of the Company.

Dr. Rajib Kumar Mishra (DIN 06836268) has been appointed as Managing Director (KMP) of the Company w.e.f. 16th July 2020. Sh. Harish Saran (DIN 07670865) has been appointed as Nominee Director of PTC w.e.f. 16th July 2020.

Your directors recommend the appointment of Dr. Rajib Kumar Mishra as Managing Director and Sh. Harish Saran as Nominee Director. Necessary resolutions recommending the same form part of the Notice of the ensuing AGM.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013. A separate meeting of Independent Directors was held on 22nd October 2019. No Directors other than Independent Directors had attended this meeting. Independent Directors discussed inter-alia the performance of Non-independent Directors and Board as a whole and the performance of the Chairman of the company after taking in to consideration the views of Executive and Non-Executive Directors.

In the opinion of the Board, the independent directors possess strong sense of integrity, expertise and experience in their relevant field. All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank. The Independent Directors, whosoever is required, shall undertake the said proficiency test.

13. Remuneration Policy and Performance Evaluation

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

Your Company has in place a policy known as 'Nomination & Remuneration Policy' for selection and appointment of Directors, Senior Management and their remuneration. The Policy includes criteria for determining qualification, positive attributes & independence. The Company aspires to pay performance linked remuneration to its WTDs/CMD. It is ensured that the remuneration is determined in a way that there exists a fine balance between fixed and incentive pay. The Policy of the Company on Nomination & Remuneration and Board Diversity is attached herewith and enclosed as **Annexure 1**.

14. Details of Board meetings

During the year, the Board met 4 (four) times during the year under review, details of which are given below:

Date of the meeting	No. of Directors attended the meeting	Name of the Director(s) absent
7 th May 2019	8	-
2 nd August 2019	8	Dr. Rajib Kumar Mishra
21 st October 2019	8	-
23 rd January 2020	8	-

15. Committees of Board

The Board has constituted many functional Committees depending on the business needs and legal requirements. The Statutory Committees constituted by the Board on the financial year end are as follows:

- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee

In addition to above statutory committees, Share Allotment Committee was also there and Board, from time to time, for specific purposes constituted such Group of Directors as may be required. However, the Board in its meeting on 13th July 2020, withdrew all Committees/ Group of Directors w.e.f. 16th July 2020 except above mentioned statutory committees.

15.1 Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013.

The details of composition of the Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Shri Dharendra Swarup	Chairman (Independent Director)
2.	Smt. Pravin Tripathi	Member (Independent Director)
3.	Shri Rabindra Nath Nayak	Member (Independent Director)
4.	Ms. Bharti Prasad*	Member (Independent Director)

*Appointed w.e.f. 23rd January 2020

All the recommendations made by the Audit Committee were accepted by the Board.

Attendance of the members at the meeting as follows:

Sl No.	Name of the Member	Designation	No. of entitled meeting during FY 2019-20	No. of meeting attended
1	Shri Dharendra Swarup	Chairman	5	5
2	Smt. Pravin Tripathi	Member	5	5
3	Shri Rabindra Nath Nayak	Member	5	5
4	Ms. Bharti Prasad	Member	1	1

The terms of reference of Audit Committee, inter alia include the following:

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditor's report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertaking or assets of the company, wherever it is necessary
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters

Adequacy of internal financial controls

The Company has laid down adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations.

Vigil mechanism/whistle blower policy

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In compliance with requirements of Companies Act, 2013 (**Act**), the Company has established a mechanism under its Whistle Blower Policy for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. Whistleblowing is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing. The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behavior etc. The policy provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no employee was denied access to Audit Committee.

The Company has not received any disclosures/ complaints under the Vigil mechanism/whistle blower policy during the year under review.

15.2 Nomination and Remuneration Committee

The composition of Nomination & Remuneration Committee and attendance of the members at the meeting as follows:

Sl. No.	Name	Chairman/ Members
1.	Shri Dharendra Swarup	Chairman (Independent Director)
2.	Mrs. Pravin Tripathi	Member (Independent Director)
3.	Shri Rabindra Nath Nayak	Member (Independent Director)
4.	Shri Rajib Kumar Mishra*	Member
5.	Shri Harish Saran**	Member- Non Executive Director

*ceased to be member w.e.f. 16th July 2020

**appointed w.e.f. 16th July 2020

The terms of reference to this Committee, inter alia includes the following:

- i) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- ii) To carry out evaluation of every Director's performance;
- iii) To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- iv) To formulate the criteria for evaluation of Independent Directors and the Board.

During the year under review, there were no changes carried out in the Nomination and Remuneration Policy of the Company.

The remuneration paid by the Company to its employees and directors is as per its Nomination and Remuneration Policy.

15.3 Corporate Social Responsibility Committee

The composition of Corporate Social Responsibility Committee and attendance of the members at the meeting is as follows:

Sl. No.	Name	Chairman/ Members
1.	Smt. Pravin Tripathi	Chairperson
2.	Shri Dharendra Swarup	Member
3.	Shri Ajit Kumar*	Member
4.	Shri Rajib Kumar Mishra	Member
5.	Shri Harish Saran	Member

*ceased to be member w.e.f. 16th July 2020

**appointed w.e.f. 16th July 2020

The terms of reference of the Committee, inter alia includes the following:

- a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and
- c) monitor the Corporate Social Responsibility policy of the Company from time to time.

16. Corporate Social Responsibility

The Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The detailed policy adopted by the Board is annexed herewith this report as **Annexure-2**. There were no changes carried out in the Policy during the year.

As a corporate citizen, the Company is committed to ensure the social upliftment of the communities in which it operates through Corporate Social Responsibility (“CSR”) initiatives.

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

To attain its CSR objectives in a professional and integrated manner, the Company shall undertake the CSR activities as specified under the Companies Act, 2013.

In view of the huge outstanding receivables of the Company resulting into stressed liquidity & increased reliance on working capital & short term borrowings, the Board decided to defer the CSR spending for FY 2019-20 and once the cash position of the Company improves, it shall fulfil its CSR obligations.

Further, the Report on CSR Activities/ Initiatives is enclosed as **Annexure 3**.

17. Risk Management Policy

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

18. Particulars of loans, guarantees or Investment u/s 186

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report (Please refer to Note 4 to the financial statement).

19. Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form No. MGT-9 forming part of this Board Report is enclosed as **Annexure 4**.

20. Statutory Auditors, their Report and Notes to Financial Statements

M/s S.P. Chopra & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of your Company in the 10th Annual General Meeting of the Company to hold office till the conclusion of Annual General Meeting for FY 2022-23.

The Statutory Auditors have audited the Accounts of the Company for the financial year ended 31st March 2020 and audited accounts (standalone & consolidated) together with the Auditors' Report thereon are annexed to this report. The Reports of Auditor including Emphasis of Matter in their Report on Consolidated Accounts read with the relevant notes to accounts are self-explanatory and do not call for any further comments.

21. Internal Auditors

M/s. Ravi Rajan & Co., Chartered Accountants, New Delhi are appointed as internal auditor for FY 2020-21. The reports of the Internal Auditor for FY 2019-20 were placed periodically before the Audit Committee and Board of Directors.

22. Cost Records

In terms of Companies Act, 2013, your company has appointed M/s. Manisha & Associates, Cost Accountants as Cost Auditor for conducting the audit of cost records of the Company for FY 2019-20. There are no qualifications, adverse remarks or reservation in Cost Auditors' Report.

M/s. Manisha & Associates, Cost Accountants has been appointed as Cost Auditor for FY 2020-21.

23. Secretarial Auditor

In terms of Section 204 of the Act and Rules made thereunder, M/s. Agarwal S. Associates, Practicing Company Secretaries was appointed to conduct secretarial audit of the Company for

the financial year 2019-20. The report of the Secretarial Auditors is enclosed as **Annexure 5** to this report. The report is self-explanatory and do not call for any further comments.

There were no qualifications, reservations or adverse remark or disclaimer made by the Secretarial Auditors in their report requiring any explanation by the Board.

24. Human Resources

People are the core assets of the Company. Your Company places engagement, development and retention of talent at its highest priority, to enable achievement of organizational vision.

The company encourages participation of employees in social activities and to provide healthy work environment wherein every employee can develop his/her own strength and deliver expertise to achieve the overall objective of the Organisation.

The management of your organization understands the importance of its core resource and invests a significant portion of its time in engaging, developing and retention of employees.

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

Your Company has in place a Prevention of Sexual Harassment Policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been constituted to redress complaints received regarding sexual harassment. All employees (permanent, temporary, contractual, trainees) are covered under this policy. No complaints were received during the year and outstanding as on 31st March 2020.

26. Particulars of Employees

The Disclosure pertaining to top ten employees in terms of remuneration and other details as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 6**.

No employee of the Company employed throughout the year was in receipt of remuneration which was not less than one crore and two lakh rupees. Further, during the year under review, there was no employee of the Company employed for a part of year was in receipt of remuneration which was not less than eight lakh and fifty thousand rupees per month.

Further, none of the employee of the Company was in receipt of remuneration in excess of the remuneration drawn by the Managing Director/ Whole Time Director of the Company during the period under review. Moreover, none of the employees of the Company holds by himself or along with his spouse and dependent children not less than two percent of the equity shares of the Company.

27. Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

As your Company is engaged in the generation of electricity, the particulars relating to conservation of energy and technology absorption respectively are not applicable to it.

28. Foreign exchange earnings and Outgo

Foreign Exchange earnings (on accrual basis) for FY 2019-20: Nil

Foreign Exchange Outgo (on accrual basis) for FY 2019-20: Nil

29. Other Disclosures

i) Significant and material orders

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

ii) Transfer of Amounts to Investor Education and Protection Fund

During the year, there were no amounts which were required to be transferred to Investor Education and Protection Fund.

iii) Fixed Deposits

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

30. General

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither Managing Director nor the Whole time Directors of the Company receive any remuneration or commission from the Company or any of its subsidiaries. However, Managing Director being whole time director in holding company receives remuneration from holding company only.
- Statutory Auditors of the Company has not reported incident related to fraud during the financial year to the Audit Committee or Board of Directors u/s 143(12) of the Companies Act, 2013.

Compliance with Secretarial Standards

Your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India, during the financial year under review.

Acknowledgement

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board
PTC Energy Limited

sd/-

Deepak Amitabh
(Chairman)
DIN-01061535

Date : 5th August 2020
Place : New Delhi

NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY

Legal Framework

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

Definitions

For the purpose of this Policy:

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

OBJECTIVE & PURPOSE

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

- To guide and assist the Board in laying down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Whole-time and Independent) and persons who may be appointed in Senior Management and Key

Managerial positions and to determine their remuneration through a remuneration policy.

- The Company has adopted a remuneration policy as is applicable in PTC India Ltd. which provides for Performance Related Pay (PRP) a reward linked directly to efforts, performance, dedication and achievement relating to Company's operations. Apart from PRP, the annual increase in remuneration has a component of Merit Increase, which is also linked to performance of an individual.
- To retain, motivate and promote talent and to ensure long term sustainability for retention of talented managerial persons and create competitive advantage for the Company.
- To guide and assist the Board in laying down ESOP Compensation policy in terms of Companies Act, 2013 and SEBI Guidelines, as and when decided.
- To guide and assist the Board in clarifying any matter relating to remuneration.

CONSTITUTION

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

NOMINATION & REMOVAL CRITERIA

1 Appointment criteria and qualifications:

- 1.1 The Committee shall identify and ascertain the criteria like integrity, expertise and experience and qualifications for appointment to the positions of Director, KMP and Senior Management.
- 1.2 A potential candidate being considered for appointment to a position should possess adequate qualification, expertise and experience for the position. The Committee shall review qualifications, expertise and experience commensurate to the requirement for the positions. The Committee will insist on the highest standards of ethical and moral qualities to be possessed by such persons as are considered eligible for the positions.
- 1.3 The Committee shall determine the suitability of appointment of a person to the Board of Directors of the Company by ascertaining whether the fit and proper criteria is met by the candidate in the opinion of the Committee.
- 1.4 The Committee may recommend appropriate induction & training programme for any or all of the appointees.
- 1.5 The Company shall normally not appoint or continue the employment of any person as Whole Time Director, KMP or Senior Management Personnel who has attained the superannuation age as per the policy of the Company.
- 1.6 The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of a director subject to the provisions of law and the respective service contract.

- 1.7 The Committee shall recommend any necessary changes in the Policy to the Board, from time to time.
- 1.8 The Company should ensure that the person so appointed as Director/ Independent Director, KMP, Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- 1.9 The Director/ Independent Director/Senior Management Personnel/KMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- 1.10 The company may familiarize the independent directors with the company, including their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc. through various programs.

2 Term / Tenure

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

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

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

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

3. Removal

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

4. Retirement / Superannuation

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

5. Diversity on the Board of the Company

The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills,

experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

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

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

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

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

3 Remuneration

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

i. CMD/ MD/ WTD

Besides the above Criteria, the Remuneration/ Compensation/ Commission / PRP / Bonus etc. to be paid to CMD/ MD/ WTD shall be governed as per provisions of the Companies

Act, 2013 and rules made thereunder or any other enactment for the time being in force as also by Company policy.

ii. Non-Executive Directors/ Independent Directors

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

iii. Senior Management Personnel / KMPs

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

iv. Other Employees

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

DISCLOSURE OF THIS POLICY

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

REVIEW

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

Date: 5th August 2020
Place: New Delhi

For PTC Energy Limited

sd/-
Deepak Amitabh
Chairman
DIN-01061535

PTC Energy Limited

Corporate Social Responsibility Policy

I. Introduction

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

II. OBJECTIVE OF CSR POLICY:

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

The CSR activities of PEL shall also be for the purpose of compliance of the applicable rules and regulations from time to time in relation to fulfilling the company's CSR requirements.

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

III. CONSTITUTION OF CSR COMMITTEE

In line with the provisions of the Act, CSR Committee of Board of Directors of PEL has been formed. PEL's initial CSR Committee comprises of three Directors which include 1 Independent Director:

1. Mr. V. Subramanian, Independent Director

2. Dr. Rajib Kumar Mishra, Director
3. Mr. Arun Kumar, Director & CEO

Functions of the CSR Committee

The CSR Committee shall—

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

IV. CSR PROJECTS, PROGRAMS AND ACTIVITIES

1. CSR Activities

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

- I. Eradicating extreme hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Govt. for promotion of Sanitation and making available safe drinking water;
- II. Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- III. Promoting gender equality, empowering women, reducing child mortality and improving maternal health, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and

- maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- V. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
 - VI. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
 - VII. Slum Area Development;
 - VIII. Social business projects;
 - IX. Protection of National Heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
 - X. Measure for the benefit of armed force veterans, war widows and their dependents;
 - XI. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports;
 - XII. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
 - XIII. Rural Development projects.

2. Implementation Process:

The Company may also participate in CSR programme/ activities carried out by PTC India Ltd. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

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

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

- a) The CSR activities shall be undertaken by the company, as per this CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

- b) The PEL Board may decide to undertake CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise:

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

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

3. **Review Mechanism**

All proposal for CSR activities shall be first examined internally in the Company and only after found suitable proposals shall be put up to CSR committee of Directors and only after found suitable proposal by CSR Committee shall be put up for consideration/ approval of the Board.

IV. **BUDGET**

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

V. **SURPLUS OF CSR PROJECTS**

The surplus, if any, arising out of the CSR projects or programmes or activities shall not form a part of the business profit of PEL and will be ploughed back into the CSR activities. CSR Budget will be non-lapsable in nature and if the budget is not fully

utilized, PEL shall disclose the reasons for not fully utilizing the budget allocated for CSR activities planned for each year. Unspent amount of fund will have to spend within the next 2 financial years.

VI. MONITORING & FEEDBACK

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

Company may also obtain feedback from beneficiaries about the programmes.

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

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

VII. GENERAL

- a. This policy shall stand modified by the provisions of the Companies Act/ Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time.
- b. This policy would serve as the referral document for planning and selection of CSR activities, though, whenever in doubt, cross reference to Companies Act & Companies (Corporate Social Responsibility Policy) Rules, 2014 shall be followed to avoid any inconsistency with the latter.
- c. The power to modify/ amend the CSR Policy will rest the Board of Directors of PEL.

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

Date: 5th August 2020
Place: New Delhi

For PTC Energy Limited

sd/-
Deepak Amitabh
Chairman
DIN-01061535

REPORT ON CSR ACTIVITIES/ INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

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

1. A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes.

CSR Policy- As a corporate citizen, your Company is committed to ensure the social upliftment of the communities in which it operates through Corporate Social Responsibility (CSR) initiatives. The Company has formulated a CSR policy to deliver internal and external positive socio-environmental impact which ensuring focused contribution towards CSR.

Your Company's thrust areas for undertaking the CSR activities includes the areas specified in Schedule VII of the Companies Act, 2013 and changes/ enactment therein from time to time.

The Company does not have a website.

2. The composition of the CSR Committee

Your Company recognizes its responsibility towards the society and environment. Your Company has constituted a Corporate Social Responsibility Committee to monitor the CSR activities.

Members of the Committee are:

Smt. Pravin Tripathi, Independent Director (Chairperson of the Committee)
 Shri Dhirendra Swarup, Independent Director
 Dr. Rajib Kumar Mishra, Managing Director*
 Sh. Harish Saran, Non-Executive Director**

*Appointed as MD w.e.f. 16th July 2020;

**Appointed as member w.e.f. 16th July 2020;

Shri Ajit Kumar ceased to be director and member w.e.f. 16th July 2020

3. Average Net Profit of the company for last 3 financial years = Rs. 28.54 crore
4. Prescribed CSR expenditure (2% of amount) = Rs. 57.08 lakh
5. Details of CSR activities/projects undertaken during the year:

- a) Total amount to be spent for the financial year = Rs. 57.07 lakh
b) Amount un-spent, if any= NIL
c) manner in which the amount spent during financial year, is detailed below: NA

1	2	3	4	5	6	7	8
Sr . No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Pro grammes 1.Local area/others- 2.specify the state /district (Name of the District/s, State/s where project/prog -ramme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme <u>Sub-heads:</u> 1. Direct expenditure on project/ programme, 2.Overheads:	Cumulative spend upto the reporting period	Amount spent: Direct/ through implementing agency*

*Give details of implementing Agency.

6. Reasons for not spending the amount

In view of the huge outstanding receivables of the Company resulting into stressed liquidity & increased reliance on working capital & short term borrowings, the Board decided to defer the CSR spending for FY 2019-20 and once the cash position of the Company improves, it shall fulfil its CSR obligations.

7. Responsibility statement: We hereby affirm that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the company.

sd/- sd/-
(Managing Director) (Chairman of CSR Committee)

Date: 5th August 2020
Place: New Delhi

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U40106DL2008PLC181648
ii	Registration Date	01-08-2008
iii	Name of the Company	PTC Energy Limited
iv	Category/Sub-category of the Company	Public Company (Limited By shares)
v	Address of the Registered office & contact details	2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi-110066
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Ltd., F-65, Okhla Industrial Area, Phase-I, New Delhi

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Generation of Electricity	35106	100

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	PTC India Limited, 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi-110066	L40105DL1999PLC099328	Holding Company	100	2(87)
2	RS India Global Energy Limited, GL Business Centre, Old Gurgaon Road, Opposite to Udyog Vihar Phase-I (Dundahera), Gurgaon, Haryana-122016	U40300HR2008PLC049683	Associate Company	48	2(6)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt. or State Govt.									
c) Bodies Corporates*	-	6541174940	6541174940	100.00000	-	6541174940	6541174940	100.00000	-
d) Bank/FI									
e) Any other									
SUB TOTAL-(A) (1)									
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	-	6541174940	6541174940	100	-	6541174940	6541174940	100	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)- Other Insurance Companies									
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-				-				
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):									
Total Public Shareholding (B)= (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	6541174940	6541174940	100	-	6541174940	6541174940	100	

*along with 6 nominees holding 1 share each

(ii) SHARE HOLDING OF PRDMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares*	% of total shares of the company	% of shares pledged encumbered to total shares	
1	PTC India Limited*	654117494	100	-	654117494	100	-	-
	Total	654117494	100	0	654117494	100	0	-

*includes 6 shares held by 6 nominees (namely, Sh. Shashank Gupta, Sh. Mukesh Kumar Ahuja, Sh. Hiralal Choudhary, Sh. Hiranmay De, Sh. Harish Saran, Sh. Sanjeev Puri) holding 1 share each

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	654117494	100%	654117494	100%
	At the end of the year	654117494	100%	654117494	100.00%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No		Shareholding at beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				

(v) Shareholding of Directors & KMP-

Sl. No		Shareholding at beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors & KMP				
	Sh. Shashank Gupta*	1	0.00	1	0.00
	#Sh. Harish Saran*	1	0.00	1	0.00

*As nominee of PTC India Limited

#Appointed w.e.f. 15th July 2020

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

	(Rs. in lakhs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	1,46,146.22	2,810.00		1,48,956.22
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	17.63			17.63
Total (i+ii+iii)	1,46,163.85	2,810.00	-	1,48,973.85
Changes in Indebtedness during the financial year				
Addition	26,560.51	15,026.09		41,586.61
Reduction	29,622.71	17,836.09		47,458.81
Net change	-3,062.20	-2,810.00	-	-5,872.20
Indebtedness at the end of the financial year				
(i) Principal amount	1,43,084.02	-		1,43,084.02
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	15.36			15.36
Total (i+ii+iii)	1,43,099.38	-	-	1,43,099.38

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			
1	Gross salary				Total
	(a) Salary as per provisions contained in section 17(1) of the Income	-			
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax				
2	Stock option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others (specify)				
5	Others, please specify	-			
	Total (A)	-			
	Ceiling as per the Act				

B. Remuneration to other directors:

		in Rs. Lakhs							
Sl.No	Particulars of Remuneration	Name of the Directors							
		Independent Directors				Non-Executive Directors			
1	Independent Directors	Sh. Dharendra Swarup	Smt. Pravin Tripathi	Sh. Rabindra Nath Nayak	Ms. Bharti Prasad	Sh. Deepak Amitabh*	Sh. Rajib Kumar Mishra*	Sh. Pawan Singh	Total Amount
	(a) Fee for attending board/ committee meetings**	5.20	5.20	4.80	2.40				17.60
	(b) Commission								
	(c) Others, please specify								
	Total (1)								
2	Other Non Executive Directors								
	(a) Fee for attending board/ committee meetings**					1.60	2.00	1.60	5.20
	(b) Commission								
	(c) Others, please specify.								
	Total (2)								
	Total (B)=(1+2)								
	Total Managerial Remuneration								
	Overall Ceiling as per the Act	N.A.							

*Sitting fees paid to nominating company i.e. PTC India Ltd.

**excluding GST

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

(in Rs. lakh)

Sl. No.	Particulars of Remuneration	Company Secretary	CFO
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	35,79,898	39,60,927
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2,45,095	2,07,584
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others, specify	-	-
5	Others, please specify (PF)	1,64,887	1,94,421
	Total	39,89,880	43,62,932

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

NIL

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

For & on behalf of the Board
PTC Energy Ltd.

Date: 05.08.2020
Place: New Delhi

sd/-
Deepak Amitabh
Chairman

Form No. MR-3
Secretarial Audit Report
For the financial year ended 31st March, 2020

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

To,
The Members,
PTC Energy Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; -
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of random sampling and as per compliance certificate submitted to the Board.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India- *Generally complied with.*
- (ii) The Listing Agreements- **Not Applicable.**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100

sd/-
CS Sachin Agarwal
Partner
FCS No. : 5774
CP No. : 5910

Place: New Delhi
Date: 30.07.2020
UDIN: F005774B000535864

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

**To,
The Members,
PTC Energy Limited**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The prevailing circumstances in the Country on account of Lockdown/ restrictions on movements and Covid 19 have impacted physical verification of the records/ documents of the Company.

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100
sd/-
CS Sachin Agarwal
Partner
FCS No. : 5774
CP No. : 5910

Place: New Delhi
Date: 30.07.2020

Annexure 6

S. No.	Name	Designation	Remuneration (in Rs. crore)	Nature of employment	Qualifications	Experience	Date of Commencement of Employment	DOB(Age as on 31.03.2020)	Last Employment	% of equity shares held in company	Whether relative of any director or manager of the company
1.	Charanjeet Singh	EVP	0.71	Operations	BE, M.Tech	34 years	1-Jul-15	3-Jun-63 (56 years)	NTPC Ltd.	Nil	No
2.	Rakesh Kumar Gupta	VP	0.52	Operations	MBA, AMIE	36 years	1-Oct-15	22-Jun-63 (56 years)	NTPC Ltd.	Nil	No
3.	Shashank Gupta	CFO	0.44	Finance	MBA	15 years	02-09-15	19-09-81 (38 years)	PTC India Ltd	1*	No
4.	Nidhi Verma	Company Secretary	0.40	Company Secretary	CS, LLB	15 years	25-Jan-10	12-Jul-81 (38 years)	SMS Paryavaran Ltd.	Nil	No
5.	Chandra Mohan Verma	AVP	0.29	Operations	B.Tech, PGDM	15 years	30-Sep-16	10-Aug-82 (37 years)	NTPC Ltd.	NIL	No
6.	Nibha Kapur	JM	0.10	Operations	B.Com, MBA	10.5 years	1-Sep-11	31-Oct-83 (36 years)	Amity Institute of Competitive Exams	Nil	No
7.	Rohit Vij	JM	0.13	Operations	BE	8 years	16-Nov-15	5-Jan-87 (33 years)	Simon India Ltd.	Nil	No
8.	Chittaranjan Guntur	JM	0.14	Finance	M.Com	28 years	2-Dec-15	21-Feb-62 (57 years)	HBL Power Systems Ltd.	Nil	No
9.	Sunita Rawat	JM	0.07	Operations	MBA	12 years	1-Dec-16	02-09-82 (37 years)	ING Vysya Mutual Fund	Nil	No
10.	Govind Jha	EA	0.07	Admn.	BA	8 years	21-Feb-12	12-Dec-88 (31 years)	N.A.	Nil	No

*As nominee of PTC India Ltd.

S.P. CHOPRA & CO.
Chartered Accountants

31-F, Connaught Place
New Delhi- 110 001
Tel: 91-11-23313495-6-7
Fax: 91-11-23713516
ICAI Regn.No. 000346N
Website : www.spchopra.in
E-mail: spc1949@spchopra.in

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 'PTC ENERGY LIMITED'
ON STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **PTC ENERGY Limited** (the "Company"), which comprise the Standalone Balance Sheet as at 31st March, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020 and its profit (including Other Comprehensive Income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures, but does not include the standalone financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this Auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report, including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016' ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-'A'**, a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-'B'**;
- g. As no remuneration has been paid by the Company to its Directors, the provisions of Section 197 of the Companies Act, 2013 are not applicable; and
- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29.1 to the standalone financial statements;
 - ii. The Company has not entered into any long-term contracts including derivative contracts.
 - iii. There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.P. CHOPRA & CO.

Chartered Accountants
Firm Regn. No. 000346N

sd/-

(Gautam Bhutani)

Partner

M. No. 524485

UDIN - 20524485AAAAAW6768

Place: New Delhi

Dated: 22nd May, 2020

ANNEXURE-'A' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the independent auditor's report of even date on the standalone financial statements of PTC Energy Limited for the year ended 31st March, 2020)

- (i) In respect of its property, plant and equipments;
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of the property, plant and equipments.
 - b. As explained to us, the property, plant and equipments are physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its property, plant and equipments. No material discrepancies were noticed on such physical verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipments to the financial statements, are held in the name of the Company.
- (ii) Since the Company did not have any inventory, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the Register maintained under Section 189 of the Act, hence this clause is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or has not given any guarantee and security covered under Section 185 and 186 of the Act. In respect of investments, Company has complied with the provisions of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public within the meanings of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under sub-section (1) of Section 148 of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
 - a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Goods and Service Tax and other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

- b. The disputed statutory dues of Rs. 38.64 lakhs, that have not been deposited on account of matter pending in appeals before appropriate authority is as under:

Name of the Statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates (A. Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	12.67	2011-12	Commissioner (Appeal)
		12.67	2012-13	Appeal is due to file with Income Tax Appellant Tribunal
		13.30	2013-14	Income Tax Appellant Tribunal
Total		38.64		

- (viii) Based on the audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution and banks. Further, Company has not borrowed any money from Government or Debenture Holders.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). In respect of the term loans, the Company has applied the term loans for the purposes for which these were obtained during the year.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or fraud on the Company by its officers / employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid any remuneration to any of its Directors during the year. Therefore, the said paragraph is not applicable.
- (xii) The Company is not a Nidhi Company hence the requirement of this clause is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable. The details of such transactions have been disclosed in the financial statements, as required by the Ind AS 24 – Related Party Disclosures.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with them.

- (xvi) As explained to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S.P. CHOPRA & CO.
Chartered Accountants
Firm Regn. No. 000346N

Place : New Delhi
Dated : 22nd May, 2020

sd/-
(Gautam Bhutani)
Partner
M. No. 524485
UDIN - 20524485AAAAAW6768

ANNEXURE-'B' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the independent auditor's report of even date on the standalone financial statements of PTC Energy Limited for the year ended 31st March, 2020)

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

We have audited the internal financial controls over financial reporting of **PTC Energy Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.P. CHOPRA & CO.
Chartered Accountants
Firm Regn. No. 000346N

Place : New Delhi
Dated : 22nd May, 2020

(Gautam Bhutani)
Partner
M. No. 524485
UDIN - 20524485AAAAAW6768

PTC ENERGY LIMITED
Standalone Balance Sheet as at 31st March, 2020

		(Amount in ₹ Lakhs)		
	Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
A	ASSETS			
I	Non-current assets			
	a) Property, Plant and Equipment	3	1,84,195.92	1,93,320.21
	b) Investment in associate	4	-	-
	c) Financial Assets			
	i) Other non-current financial assets	5	34.73	34.71
	d) Non-current tax assets (net)	6	1,009.12	553.81
	e) Other non-current assets	7	1,248.09	1,295.59
			1,86,487.86	1,95,204.32
II	Current Assets			
	a) Financial Assets			
	i) Trade receivables	8	21,901.97	18,377.66
	ii) Cash and cash equivalents	9	922.79	1,413.19
	iii) Bank balances other than cash and cash equivalents	10	9,166.91	6,074.41
	iv) Loans	11	5.20	7.28
	v) Other current financial assets	12	2,510.55	1,890.57
	b) Other current assets	13	484.78	173.08
			34,992.20	27,936.19
	TOTAL ASSETS (I + II)		2,21,480.06	2,23,140.51
B	EQUITY AND LIABILITIES			
I	Equity			
	a) Equity share capital	14	65,411.75	65,411.75
	b) Other equity	15	5,497.14	4,560.16
			70,908.89	69,971.91
II	Liabilities			
	Non-current liabilities			
	a) Financial liabilities			
	i) Borrowings	16	1,28,926.87	1,33,259.62
	b) Provisions	17	64.51	42.25
	c) Deferred Tax liabilities (net)	18	4,038.37	2,164.63
			1,33,029.75	1,35,466.50
III	Current liabilities			
	a) Financial liabilities			
	i) Borrowings	19	1,800.00	5,810.00
	ii) Other current financial liabilities	20	15,658.94	11,836.62
	b) Other current liabilities	21	81.15	54.39
	c) Provisions	22	1.33	1.09
			17,541.42	17,702.10
	TOTAL EQUITY AND LIABILITIES (I + II + III)		2,21,480.06	2,23,140.51

Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Standalone Financial Statements.

As per our Report of even date attached
For S. P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

**For and on behalf of the Board of Directors
of PTC Energy Limited**

sd/-
(Gautam Bhutani)
Partner
M. No. 524485
UDIN : 20524485AAAAW6768

sd/-
Ajit Kumar
Managing Director
DIN: 06518591

sd/-
Rajib Kumar Mishra
Director
DIN: 06836268

sd/-
Shashank Gupta
Chief Financial Officer

sd/-
Nidhi Verma
Company Secretary

Place: New Delhi
Date: 22nd May, 2020

PTC ENERGY LIMITED

Standalone Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in ₹ Lakhs)

	Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
I	INCOME			
	Revenue from operations	23	30,463.26	33,147.48
	Other income	24	563.80	555.85
	Total Income (I)		31,027.06	33,703.33
II	EXPENSES			
	Direct expenses	25	2,191.01	581.16
	Employee benefits expense	26	314.70	287.45
	Finance costs	27	16,093.63	15,792.42
	Depreciation	3	9,127.45	9,132.79
	Other expenses	28	484.85	500.95
	Total Expenses (II)		28,211.64	26,294.77
III	Profit before tax (I - II)		2,815.42	7,408.56
IV	Tax expense:	18		
	- Current Tax - Minimum Alternate Tax (MAT)		-	1,595.81
	- Minimum Alternate Tax credit write-off/(entitlement)		1,595.81	(1,595.81)
	- Current Tax - Earlier Year/s		2.65	23.30
	- Deferred tax		278.45	2,223.02
V	Profit for the year (III-IV)		938.51	5,162.24
VI	Other Comprehensive Income			
	- Items that will not be reclassified to profit or loss			
	Remeasurement of net defined benefit liability		(2.05)	(1.85)
	Income tax effect on above		0.52	0.54
	Total Other Comprehensive (Loss) (VI)		(1.53)	(1.31)
VII	Total Comprehensive Income for the year (V - VI)		936.98	5,160.93
VIII	Earnings per equity share	29.6		
	Basic		0.14	0.79
	Diluted		0.14	0.79

Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Standalone Financial Statements.

As per our Report of even date attached

For S. P. Chopra & Co.

Chartered Accountants

Firm Registration No. 000346N

sd/-

(Gautam Bhutani)

Partner

M. No. 524485

UDIN : 20524485AAAAAW6768

**For and on behalf of the Board of Directors
of PTC Energy Limited**

sd/-

Ajit Kumar

Managing Director

DIN: 06518591

sd/-

Rajib Kumar Mishra

Director

DIN: 06836268

sd/-

Shashank Gupta

Chief Financial Officer

sd/-

Nidhi Verma

Company Secretary

Place: New Delhi

Date: 22nd May, 2020

PTC ENERGY LIMITED

Standalone Statement of Changes in Equity for the year ended 31st March, 2020

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2020

(Amount in ₹ Lakhs)

Balance as at 1st April, 2019	Changes in Equity Share Capital during the year	Balance as at 31st March, 2020
65,411.75	-	65,411.75

For the year ended 31st March, 2019

(Amount in ₹ Lakhs)

Balance as at 1st April, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
65,411.75	-	65,411.75

B. OTHER EQUITY

For the year ended 31st March, 2020

(Amount in ₹ Lakhs)

Particulars	Reserves and Surplus Retained Earnings	Other Component of Equity - Remeasurements of net defined benefit	Total
Balance as at 1st April, 2019	4,561.66	(1.50)	4,560.16
Profit for the year	938.51	-	938.51
Other Comprehensive loss for the year	-	(1.53)	(1.53)
Balance as at 31st March, 2020	5,500.17	(3.03)	5,497.14

For the year ended 31st March, 2019

(Amount in ₹ Lakhs)

Particulars	Reserves and Surplus Retained Earnings	Other Component of Equity - Remeasurements of net defined benefit	Total
Balance as at 1st April, 2018	(600.58)	(0.19)	(600.77)
Profit for the year	5,162.24	-	5,162.24
Other Comprehensive loss for the year	-	(1.31)	(1.31)
Balance as at 31st March, 2019	4,561.66	(1.50)	4,560.16

Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Standalone Financial Statements.

As per our Report of even date attached

For S. P. Chopra & Co.

Chartered Accountants

Firm Registration No. 000346N

sd/-

(Gautam Bhutani)

Partner

M. No. 524485

UDIN : 20524485AAAAAW6768

**For and on behalf of the Board of Directors
of PTC Energy Limited**

sd/-

Ajit Kumar

Managing Director

DIN: 06518591

sd/-

Shashank Gupta

Chief Financial Officer

sd/-

Rajib Kumar Mishra

Director

DIN: 06836268

sd/-

Nidhi Verma

Company Secretary

Place: New Delhi

Date: 22nd May, 2020

PTC ENERGY LIMITED		
Standalone Statement of Cash Flows for the year ended 31st March, 2020		
(Amount in ₹ Lakhs)		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2,815.42	7,408.56
Adjustment for:		
Depreciation and amortization expense	9,127.45	9,132.79
Interest Income on fixed deposits and other interest	(560.15)	(471.61)
Interest income on financial assets at amortised cost	-	(1.84)
Finance costs	16,093.63	15,792.42
Liabilities/provisions written back	(3.65)	(2.32)
(Profit) on sale of property, plant and equipment	-	(0.01)
Other receivables written off (net of recovery)	11.37	-
Property, plant and equipment written off	0.03	0.26
Operating Profit before Working Capital Changes	27,484.10	31,858.25
Adjustment for working capital changes:		
Trade receivables	(3,535.67)	(12,125.48)
Loans, other current financial assets, other non-current and current assets	(884.83)	(188.49)
Provisions, other current financial liabilities and other current liabilities	3,875.43	(3,020.42)
Cash Generated from Operating Activities	26,939.03	16,523.86
Direct Taxes Paid (Net)	(457.96)	(1,619.98)
Net Cash flow from Operating Activities (A)	26,481.07	14,903.88
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(3.19)	(11.24)
Proceeds from Sale of Property, Plant and Equipment	-	0.12
Receipt of Interest Income	562.86	412.57
Movement of term deposits with bank (having maturity of more than 3 months)	(3,092.49)	(1,845.02)
Net Cash used in Investing Activities (B)	(2,532.82)	(1,443.57)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of long term borrowings (net)	(1,862.22)	(6,926.15)
(Repayment)/Proceeds from working capital loans (net)	(4,010.00)	5,810.00
Interest paid on borrowings	(18,566.43)	(15,792.42)
Net Cash used in Financing Activities (C)	(24,438.65)	(16,908.57)
Net Decrease in cash and cash equivalents (A+B+C)	(490.40)	(3,448.26)
Cash and Cash equivalent (Opening Balance)	1,413.19	4,861.45
Cash and Cash equivalent (Closing Balance)	922.79	1,413.19
Components of Cash and Cash equivalents (Closing Balance)		
Balance with banks		
i) in current accounts		
- held as TRA with lender banks	249.33	612.62
- others	94.27	114.34
ii) in term deposits with original maturity upto 3 months	579.19	686.23
	922.79	1,413.19
The above Standalone Statement of cash flows has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.		
Figures in brackets indicate cash outflow.		
Significant Accounting Policies and 'Notes 1 to 29' form an integral part of the Standalone Financial Statements.		
As per our Report of even date attached		
For S.P. Chopra & Co.		
Chartered Accountants		
Firm Registration No. 000346N		
For and on behalf of the Board of Directors		
of PTC Energy Limited		
sd/-	sd/-	sd/-
(Gautam Bhutani)	Ajit Kumar	Rajib Kumar Mishra
Partner	Managing Director	Director
M. No. 524485	DIN: 06518591	DIN: 06836268
UDIN : 20524485AAAAW6768		
	sd/-	sd/-
	Shashank Gupta	Nidhi Verma
	Chief Financial Officer	Company Secretary
Place: New Delhi		
Date: 22nd May, 2020		

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

1. COMPANY OVERVIEW

PTC Energy Limited (the 'Company') is a public limited company incorporated and domiciled in India, having its registered office at 2nd Floor, NBCC Tower, 15, Bhikaji Cama Place, New Delhi-110066, and is a wholly owned subsidiary of PTC India Limited. The Company was formed in August, 2008 with the objectives to carry out the business of generation and supply /distribution / transmission of power and to provide advisory services in energy sector. The Company has presently seven Wind Power Generation Plants (Wind Mills) for generation of power, which is sold to the State Government / Electricity Distribution Companies.

The standalone financial statements for the year ended 31st March, 2020 were approved by the Board of Directors and authorized for issue on 22nd May, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance and Basis of preparation

a. Basis of preparation of Standalone Financial Statements

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other relevant provisions of the Act, to the extent applicable. The standalone financial statements have been prepared and presented on a going concern basis and on the accrual basis of accounting. All the assets and liabilities are classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

During the year, Ind AS 116 – Leases, has become effective from 1st April, 2019. The Company has accordingly adopted it from the said date, and as permitted by its transitional provisions, has elected to adopt the modified retrospective approach under which the cumulative effect of initial application is to be applied as an adjustment to the opening Equity / Retained Earnings at the date of its initial application i.e. 1st April, 2019, instead of restating the comparative information, however, as the Company is not having any such lease, no such adjustment / treatment is required in these financial statements.

b. Historical Cost Convention

The standalone financial statements have been prepared on a historical cost basis, except, certain financial assets and liabilities, measured at fair value.

c. Functional and presentation currency

The standalone financial statements are prepared in Indian Rupees ('Rs.'), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs with two decimal places, unless stated otherwise.

d. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities:

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e. Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that requires material adjustments to the carrying amount of the assets and liabilities in future period/s. These estimates and assumptions are based on the facts and events, that existed as at the date of Statement of Financial Position, or that occurred after that date but provide additional evidence about conditions existing as at the Statement of Financial Position date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year/s are given below.

i. Useful lives of Property Plant and Equipment

The Property, Plant and Equipment are depreciated on a pro-rate basis on straight line or written down value basis over their respective useful lives. Management estimates the useful lives of these assets as detailed in Note 2.3 below. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the financial position in future years.

ii. Retirement benefit obligation

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity, Leave Encashment and Post-Retirement Medical is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long-term government bonds with extrapolated maturity corresponding to the expected duration of these obligations. The mortality rate is based on publicly available mortality table for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis are given in Note 29.5.

iii. Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

iv. Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v. Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi. **Impairment of non-Financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

2.2 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

(a) Initial recognition and measurement

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(b) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- c. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

(1) Financial assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

- | | |
|------------------------|---|
| - Business Model Test: | The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather |
|------------------------|---|

than to sell the asset prior to its financial maturity to realize its fair value changes); and

- Cash Flow Characteristics Test: Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade receivables, deposits with banks, security deposits, cash and cash equivalents, investments in associates and advances/loans to employee/others etc.

(2) Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- Cash Flow Characteristics Test: The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Profit and Loss. The Company as at the Statement of Financial Position date is not having any such instruments.

(3) Financial instruments measured at Fair Value Through Profit and Loss (FVTPL)

Fair Value through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value

movements i.e. gain or loss and interest income, if any, are recorded in Statement of Profit and Loss. The Company as at the Statement of Financial Position date is not having any such instruments.

(c) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;
- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks, security deposits and advances/ loans to the employees/other etc.
- Financial assets that are debt instruments, and are measured at FVTOCI, the Company as at the Statement of Financial Position date is not having any such instruments.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Statement of Financial Position date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Statement of Financial Position date, if not, they are classified under non-current assets. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

(d) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Statement of Financial Position) when:

- a. The rights to receive cash flows from the asset have been expired/transferred, or
- b. The Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and other payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, security deposits and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

Borrowings & Security Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized in profit or loss over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Other payables

Other payables are obligations incurred by the Company towards purchase of assets/equipment's/other items and availing the services that have been acquired or availed in the ordinary course of business. Other payables are classified under current liabilities, if payment is due within 12 months as at Statement of Financial Position date, if not, they are classified under non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.3 Property, Plant and Equipment

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial operations) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of leasehold improvements (fixtures / structure on the property taken on lease) is amortized over the period of lease.

Depreciation on property, plant & equipment is provided on a pro-rate basis on straight line basis in the case of Plant & Equipment i.e. Wind Mills and on a written down value basis in the case of other assets, over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The asset's residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and necessary adjustments are made accordingly, wherever required. The property, plant and equipment costing upto Rs. 5,000/- are fully depreciated during the year of addition.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are initially recognised in the standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date. Non- monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date when the fair value was determined. Non- monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at

the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognised in the Statement of Profit and Loss for determination of net profit or loss during the period.

2.5 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

2.6 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, for a period of time in exchange for consideration even if that right is not explicitly specified in an arrangement.

The Company has taken certain assets on Operating Lease. Operating Lease is a contract, which conveys the right to Lessee, to control the use of an identified asset for a period of time, the lease term, in exchange for consideration. The Company assesses whether a contract is, or contains, a lease on inception.

The lease term is either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Company will extend the term, or a lease period in which it is reasonably certain that the Company will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

At commencement, or on the modification, of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is depreciated using straight-line / written down value method from the commencement date to the end of the lease term. If the lessor transfers ownership of the underlying asset to the Company by the end of the lease term or if the Company expects to exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as the Company's other property, plant and equipment. Right-of-use assets are reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the total lease payments due on the commencement date, discounted using either the interest rate implicit in the lease, if readily determinable, or more usually, an estimate of the Company's incremental borrowing rate on the inception date for a loan with similar terms to the lease. The incremental borrowing rate is estimated by obtaining interest rates from various external financing sources.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In accordance with Ind AS 116, the Company does not recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases i.e. leases with a lease term of 12 months or less and containing no purchase options. Payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.7 Revenue

- a. Company's revenues arising from sale of power generated from its Wind Mills, is recognised when the control is transferred to the beneficiary, which is generally on the transfer of power, on the rates and terms and conditions mutually agreed, the associated costs and the amount of revenue can be measured reliably and it is probable that the economic benefit associated with the transaction will flow to the Company. It is measured at fair value of the consideration received or receivable, after deduction of volume rebates etc.
- b. The Generation Based Incentive / Subsidy, from the Indian Renewable Energy Development Agency (IREDA), is recognised on the transfer of power at the rates as notified by the Government.
- c. Surcharge recoverable on late / non-payment of dues by customers is recognised when no significant uncertainty as to its collectability exists.
- d. Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.
- e. Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- f. Insurances claims are recognised to the extent the Company is reasonably certain of their ultimate receipt.
- g. Other income/revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and it can be reliably measured.

2.8 Impairment of non-financial assets

The Company assesses, at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous period/s. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of sell and value in use; and
- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

2.9 Investment in associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Investments in associate are carried at cost, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

2.10 Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash on hand, cash at banks, demand deposits, short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.11 Statement of Cash Flows

For the purpose of Standalone Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with an original maturity of three months or less and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12 Employee Benefits

a. Short Term Employee Benefits:

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, allowances and performance related pay etc., and the same are recognized in the period in which the employee renders the related services.

b. Defined contribution plan:

The Company's approved provident fund scheme and pension fund scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable

under such schemes. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

c. Defined Benefit Plan:

Gratuity Scheme and the Post-Retirement Medical Benefit are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans are determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

d. Other Long-Term Benefit

The liability towards encashment of the employees' long-term compensated absences, which are encashable during the service period and balance at the time of retirement / separation of the employees is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

2.13 Provisions and Contingent Liabilities

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b) Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

2.14 Income Taxes

Tax expense for the year comprises of Current Tax and Deferred Tax.

a. Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recoverable from the taxation authorities in accordance with the tax regime inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961, and the Income Computation and Disclosure Standards (ICDS) enacted in India, by

using tax rates and the tax laws that are enacted at the reporting date.

b. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.15 Earnings per share (EPS)

Basic earnings per share is calculated by dividing net profit / loss of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in the resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

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Notes to the Standalone Financial Statements for the year ended 31st March, 2020

3. PROPERTY, PLANT & EQUIPMENT (As at 31st March, 2020)											
S. No.	Particulars	Gross carrying amount				Depreciation				Net carrying amount	
		As at 01.04.2019	Additions during the year	Sales/Disposal/ Adjustments	As at 31.03.2020	As at 01.04.2019	For the year	Sales/Disposal/ Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
1	Land - Freehold (Refer Note 3.1)	1,857.90	-	-	1,857.90	-	-	-	-	1,857.90	1,857.90
2	Leasehold Improvements	17.60	-	-	17.60	17.60	-	-	17.60	-	-
3	Plant & Equipment - Wind Mills (Refer Note 3.1)	2,11,440.59	-	-	2,11,440.59	19,984.27	9,123.42	-	29,107.69	1,82,332.90	1,91,456.32
4	Office Equipments	3.94	0.25	(0.10)	4.09	1.91	1.14	(0.07)	2.98	1.11	2.03
5	Furniture & Fixtures	4.17	-	-	4.17	2.58	0.41	-	2.99	1.18	1.59
6	Computers	7.98	2.94	-	10.92	5.61	2.48	-	8.09	2.83	2.37
	TOTAL	2,13,332.18	3.19	(0.10)	2,13,335.27	20,011.97	9,127.45	(0.07)	29,139.35	1,84,195.92	1,93,320.21

PROPERTY, PLANT & EQUIPMENT (As at 31st March, 2019)

(Amount in ₹ Lakhs)

S. No.	Particulars	Gross carrying amount				Depreciation				Net carrying amount	
		As at 01.04.2018	Additions during the year	Sales/Disposal/ Adjustments	As at 31.03.2019	As at 01.04.2018	For the year	Sales/Disposal/ Adjustments	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
1	Land - Freehold (Refer Note 3.1)	1,849.64	8.26	-	1,857.90	-	-	-	-	1,857.90	1,849.64
2	Leasehold Improvements	17.60	-	-	17.60	12.61	4.99	-	17.60	-	4.99
3	Plant & Equipment - Wind Mills (Refer Note 3.1)	2,11,440.59	-	-	2,11,440.59	10,860.85	9,123.42	-	19,984.27	1,91,456.32	2,00,579.74
4	Office Equipments	3.04	1.85	(0.95)	3.94	1.81	0.73	(0.63)	1.91	2.03	1.23
5	Furniture & Fixtures	4.17	-	-	4.17	2.03	0.55	-	2.58	1.59	2.14
6	Computers	7.28	1.13	(0.43)	7.98	2.88	3.10	(0.37)	5.61	2.37	4.40
	TOTAL	2,13,322.32	11.24	(1.38)	2,13,332.18	10,880.18	9,132.79	(1.00)	20,011.97	1,93,320.21	2,02,442.14

3.1 Pledged as collateral security against the borrowings from banks (Refer Note 29.7.b)

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

NOTE - 4 INVESTMENT IN ASSOCIATE

(valued at cost, unless stated otherwise)

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	Amount	Nos.	Amount
In Equity Instruments - unquoted - fully paid up				
R. S. India Global Energy Limited		2,34,02,542	2,34,02,542	2,340.25
Less: Impairment Allowance	4.1	(2,340.25)		(2,340.25)
Total Investment in Associate		-		-
Aggregate amount of unquoted investments		2,340.25		2,340.25
Aggregate amount of impairment in value of investments		2,340.25		2,340.25

- 4.1 The Company in earlier years 2008-09 and 2009-10, had made an investment of 48% in total equity of a Company 'R.S. India Global Energy Limited (RSIGEL)'. The said company is an Associate of the Company. RSIGEL and its promoters based on several misrepresentations, wrongfully induced the Company to make the investment in its equity capital, even when no projects or business activities were undertaken by RSIGEL. The Company is taking suitable steps under civil and criminal laws to safeguard its investments and recover the same including enforcing its rights as shareholder, however, considering non conduct of any business and non availability of any financial information since 2014, the said investment had been considered fully impaired and accordingly fully provided since 2014-15. The Company does not have any further obligation over and above the cost of investment, as such, there is not other impact of the said investment on the financial position of the Company.

NOTE - 5 OTHER NON-CURRENT FINANCIAL ASSETS

(unsecured, considered good)

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Term deposits with Banks having original maturity more than 12 months	5.1	0.25
Interest accrued on term deposits		0.08
Entry tax recoverable		34.40
Total other non-current financial assets	34.73	34.71

- 5.1 Pledged with statutory authorities.

NOTE - 6 NON-CURRENT TAX ASSETS (NET)

(Amount in ₹ Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
Advance income tax (Net of provisions)	1,009.12	553.81
Total non-current tax assets (net)	1,009.12	553.81

NOTE - 7 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
Prepaid rent	1,248.09	1,295.59
Total other non-current assets	1,248.09	1,295.59

NOTE - 8 TRADE RECEIVABLES

(unsecured, considered good unless stated otherwise)

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Receivables against sale of electricity	8.1	20,985.97
Receivables against Generation based incentive	8.1	916.00
Total trade receivables	21,901.97	18,377.66

- 8.1 As per the management, the trade receivables are fully recoverable in the ordinary course of business, and presently there is no need for any provision towards their recoverability. Also refer Note 29.14 in respect of the receivables from certain parties.
- 8.2 The surcharge recoverable on late / non-payment of dues by customers has been recognised to the extent, there is no significant uncertainty as to its collectability, in accordance with the Accounting Policy No. 2.7.c.
- 8.3 Hypothecated against the borrowings from respective bank (Refer Note 29.7.b)
- 8.4 Refer Note 29.10 for information about credit and market risk of trade receivables.

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

NOTE - 9 CASH AND CASH EQUIVALENTS

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Balance with banks		
i) in current accounts		
- held as TRA with lender banks	9.1 249.33	612.62
- others	94.27	114.34
ii) in term deposits with original maturity upto 3 months	9.1 343.60	726.96
	579.19	686.23
Total cash and cash equivalents	922.79	1,413.19

9.1 Hypothecated against the borrowings from respective bank (Refer Note 29.7.b)

NOTE - 10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Term deposits with banks		
- with original maturity more than 3 but less than 12 months	1,349.88	247.22
- held under lien	334.10	22.78
- held under Debt Service Reserve Account (DSRA)	10.1 7,482.93	5,804.41
Total bank balances other than cash and cash equivalents	9,166.91	6,074.41

10.1 Hypothecated against the borrowings from respective bank (Refer Note 29.7.b)

NOTE - 11 LOANS

(Amount in ₹ Lakhs)

(unsecured, considered good)

As at 31st March, 2020	As at 31st March, 2019
Security Deposits	4.50
Loan/Advance to Employee	0.70
Total loans	5.20

NOTE - 12 OTHER CURRENT FINANCIAL ASSETS

(Amount in ₹ Lakhs)

(unsecured, considered good)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Interest accrued on Term Deposits	68.94	71.67
Insurance claim Receivable	25.1 459.27	15.89
Accrued unbilled revenue for sale of electricity	1,648.15	1,622.10
Accrued unbilled revenue for GBI	164.79	165.18
Other receivables	169.40	15.73
Total other current financial assets	2,510.55	1,890.57

NOTE - 13 OTHER CURRENT ASSETS

(Amount in ₹ Lakhs)

As at 31st March, 2020	As at 31st March, 2019
Prepaid rent	47.50
Prepaid expenses	437.28
Total other current assets	484.78

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

NOTE - 14 EQUITY SHARE CAPITAL

(Amount in ₹ Lakhs)

As at 31st March, 2020		As at 31st March, 2019	
Nos.	Amount	Nos.	Amount
Authorised:			
Equity Shares of ₹ 10/- each	1,50,00,00,000	1,50,00,00,000	1,50,00,00,000
Issued, subscribed and fully paid up:			
Equity Shares of ₹ 10/- each	65,41,17,494	65,41,17,494	65,41,17,494

14.1 Rights, Preference and Restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10/- per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The equity shareholders are entitled to dividend rights according to their paid up portion of the share capital. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

14.2 Reconciliation of the number of shares outstanding:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	65,41,17,494	65,411.75	65,41,17,494	65,411.75
At the end of the year	65,41,17,494	65,411.75	65,41,17,494	65,411.75

14.3 Shares held by Holding Company:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	Amount	Nos.	Amount
PTC India Limited	65,41,17,494	65,411.75	65,41,17,494	65,411.75
Total	65,41,17,494	65,411.75	65,41,17,494	65,411.75

14.4 Details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	Percentage of Shareholding	Nos.	Percentage of Shareholding
PTC India Limited*	65,41,17,494	100.00	65,41,17,494	100.00
Total	65,41,17,494	100.00	65,41,17,494	100.00

* Includes six equity shares held in the name of its six nominees, holding 1 share each.

NOTE - 15 OTHER EQUITY

(Amount in ₹ Lakhs)

As at 31st March, 2020		As at 31st March, 2019	
Reserves and Surplus			
a. Retained Earnings	15.1		
As per last account	4,561.66	(600.58)	
Add: Profit for the year	938.51	5,162.24	4,561.66
Other items of Other Comprehensive Income			
a. Remeasurement of defined benefit plans (net of tax)	15.2		
As per last account	(1.50)	(0.19)	
Add: Loss for the year	(1.53)	(3.03)	(1.50)
Total other equity	5,497.14	4,560.16	

15.1 The profit / loss earned till date, less any transfers to general reserve, dividends or other distribution paid to the shareholders, if any.

15.2 The other comprehensive income/(loss) till date, which is available for set off or adjustable only against such income/loss in future.

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

(Amount in ₹ Lakhs)

NOTE - 16 BORROWINGS

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non Current	Current	Non Current
Secured				
Term loans from:				
- Banks	16.1	7,015.45	83,057.98	6,806.50
- Others	16.2	5,341.68	45,868.89	3,080.10
Total		12,357.13	1,28,926.87	9,886.60
Less: Amount disclosed under the head "Other current financial liabilities"	20	12,357.13	-	9,886.60
Total borrowings		-	1,28,926.87	-

16.1 Term loans from Banks:

16.1.i Term loans from Banks Comprises of:

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Non Current	Current	Non Current	Current
a. 30 MW Gamesa Project at Jaora, Madhya Pradesh				
- ICICI Bank Limited	16.1.1	4,826.66	500.00	5,317.52
- State Bank of India	16.1.2	1,927.48	193.92	2,108.31
b. 50 MW Gamesa Project at Molagavalli, Andhra Pradesh				
- Bank of India	16.1.3	5,630.36	603.77	6,231.76
- ICICI Bank Limited	16.1.4	7,823.31	785.31	8,607.43
- Oriental Bank of Commerce	16.1.5	5,035.67	566.00	5,596.97
c. 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh				
- Bank of India	16.1.6	3,324.54	377.36	3,698.94
- ICICI Bank Limited	16.1.7	5,801.98	583.12	6,380.53
- South Indian Bank Limited	16.1.8	7,512.55	754.72	8,261.85
d. 49.5 MW ReGen Project at Devenkonda, Andhra Pradesh				
- State Bank of India	16.1.9	21,356.73	1,165.00	22,517.24
e. 50 MW Gamesa Project at Bableswhar, Karnataka				
- Canara Bank	16.1.10	4,304.46	336.00	3,566.01
- Central Bank of India	16.1.11	4,366.64	336.00	4,634.60
- IndusInd Bank Limited	16.1.12	4,349.64	332.52	5,388.25
f. 40 MW Inox Project at Payalakuntla, Andhra Pradesh				
- South Indian Bank Limited	16.1.13	3,847.42	280.00	4,167.20
- IndusInd Bank Limited	16.1.14	2,950.54	201.73	3,178.85
Total		83,057.98	7,015.45	89,655.46

16.1.ii Terms of Repayment:

	Effective interest rate per annum	Repayable (Total No. of Quarterly instalments)	Amount of Installment (in ₹ Lakhs) facility denotes the number of installments from time to time)	Installments due as at 31st March, 2020	Last installment due on
a. 30 MW Gamesa Project at Jaora, Madhya Pradesh					
- ICICI Bank Limited	10.33%	56	125.00	43	December, 2030
- State Bank of India	10.54%	56	48.48	44	March, 2031
b. 50 MW Gamesa Project at Molagavalli, Andhra Pradesh					
- Bank of India	9.92%	53	150.94	44	March, 2031
- ICICI Bank Limited - 1	9.88%	53	102.92	44	March, 2031
- ICICI Bank Limited - 2	9.88%	53	93.41	44	March, 2031
- Oriental Bank of Commerce	9.92%	53	141.50	44	March, 2031

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

Effective interest rate per annum	Repayable (Total No. of Quarterly instalments)	Amount of Installment (in ₹ Lakhs) (facility denotes the disbursement amount from time to time)	Installments due as at 31st March, 2020	Last instalment due on
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c. 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh

- Bank of India	9.92%	53	94.34	44	March, 2031
- ICICI Bank Limited	9.91%	53	145.78	44	March, 2031
- South Indian Bank Limited	9.90%	53	188.68	44	March, 2031

d. 49.5 MW ReGen Project at Devenkonda, Andhra Pradesh

- State Bank of India	9.77%	58 Quarterly	Structured installments	50	September, 2032
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e. 50 MW Gamesa Project at Bableshwar, Karnataka

Canara Bank	10.14%	2 Quarterly	1.25% of the facility	45	June, 2031
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		
		8 Quarterly	2.00% of the facility		
		8 Quarterly	2.25% of the facility		
Central Bank	10.10%	5 Quarterly	2.30% of the facility	45	June, 2031
		2 Quarterly	1.25% of the facility		
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		
		8 Quarterly	2.00% of the facility		
IndusInd Bank Limited	9.43%	8 Quarterly	2.25% of the facility	45	June, 2031
		5 Quarterly	2.23% of the facility		
		2 Quarterly	1.25% of the facility		
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		

f. 40 MW Inox Project at Payalakuntla, Andhra Pradesh

South Indian Bank Limited	10.31%	12 Quarterly	1.40% of the facility	47	December, 2031
		4 Quarterly	1.50% of the facility		
		4 Quarterly	1.60% of the facility		
		4 Quarterly	1.70% of the facility		
		4 Quarterly	1.80% of the facility		
		12 Quarterly	2.00% of the facility		
		8 Quarterly	2.10% of the facility		
		1 Quarterly	2.26% of the facility		
		2 Quarterly	2.27% of the facility		
IndusInd Bank Limited	10.18%	4 Quarterly	2.30% of the facility	47	December, 2031
		12 Quarterly	1.40% of the facility		
		4 Quarterly	1.50% of the facility		
		4 Quarterly	1.60% of the facility		
		4 Quarterly	1.70% of the facility		
		4 Quarterly	1.80% of the facility		
		12 Quarterly	2.00% of the facility		
		8 Quarterly	2.10% of the facility		
		1 Quarterly	2.26% of the facility		
		2 Quarterly	2.27% of the facility		
		4 Quarterly	2.30% of the facility		

16.1.iii The terms of repayment, as detailed in 'para - 16.1.ii' above are based on the total amounts of limits sanctioned, and the detail as mentioned in 'para- 16.1.i' above are based on the actual disbursements made so far.

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

Securities of the term loans are given as below:

16.1.1 ICICI Bank Limited (30 MW in Jaora, Ratlam District, Madhya Pradesh)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project (present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to The Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.

Above mentioned security to be shared on pari-passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower to the extent approved by lenders.

16.1.2 State Bank of India (30 MW in Jaora, Ratlam District, Madhya Pradesh)

Primary Security: The TL Facility, together with interest, liquidated damages, costs and whatsoever payable to the Lenders and their trustees shall be secured inter alia by:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project (present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to the Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.

The above mentioned security shall rank pari-passu basis with the Lenders of the RTL facility.

16.1.3 Bank of India (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (d) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

16.1.4 ICICI Bank Limited (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

16.1.5 Oriental Bank of Commerce (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

16.1.6 Bank of India (49.3 MW, Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

16.1.7 ICICI Bank Limited (49.3 MW, Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

16.1.8 South Indian Bank Limited (49.3 MW, Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

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Notes to the Standalone Financial Statements for the year ended 31st March, 2020

16.1.9 State Bank of India (49.5 MW, Deverkonda)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future, except common facilities;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of security interest of all the Borrower's project rights and rights pertaining to the common facilities (including Right of Way, if any, for transmission line up to the delivery point for electricity, access roads, evacuation rights), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee (including advance bank guarantees received from EPC Contractor to the extent permissible by law) and insurance policies issued in favour of the Borrower, specific to the Project.

16.1.10 Canara Bank (50 MW, Bableshwar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower,

16.1.11 Central Bank of India (50 MW in Bableshwar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.1.12 Indusind Bank Limited (50 MW in Bableshwar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

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16.1.13 South Indian Bank Limited (40MW in Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.1.14 Indusind Bank Limited (40 MW in Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower,

16.2.1 Rural Electrification Corporation Limited (20 MW in Nipaniya, Mandsaur District, Madhya Pradesh)

The entire Rupee Term Loan together with interest, costs, expenses and all other monies whatsoever accruing out of the Loan Agreement are secured in the form and manner as under REC.

- a) By Mortgage: Exclusive first charge by way of mortgage of all immovable assets pertaining to the project (20MW wind in Nipaniya).
AND
- b) By Hypothecation: First Charge by way of hypothecation of all the Borrower's movable properties, including plant and machinery spare, equipment, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, created/ to be created in the project (20 MW Wind in Nipaniya) (and also first charge by way of hypothecation/assignment of all the book debts, bills, receivables, monies including bank accounts, claims of all kinds and stocks including consumables and other general stores, arising out of the project. Only book debts, bills, receivables and stocks excluding stores relating to plant and machinery shall be subject to the first charge in favour of Working Capital Lenders and second charge in favour of REC.
AND
- c) By Assignment: A first charge by way of assignment or creation of security interest including all rights, title, interest, benefits, claims and demands whatsoever of the project-
 - a) in the Project documents/Contracts, as amended, varied or supplemented from time to time;
 - b) in the Clearances relating to the project (investor approval etc) and
 - c) all insurance Contracts/Insurance Proceeds;

16.2.2 PTC India Financial Services Limited (30 MW in Jaora, Madhya Pradesh)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured inter-alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project(present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to The Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.
Above mentioned security to be shared on pari-passu basis with LC and BG facility availed/ to be availed by the Borrower.

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16.2.3 TATA Cleantech (40 MW Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.2.4 India Infrastructure Finance Company Limited (49.3 MW Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

16.2.5 India Infrastructure Finance Company Limited (50 MW Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- e) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- f) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- g) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

16.2.6 Aditya Birla Finance Limited (50 MW, Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.2.7 PTC India Financial Services Limited (Medium Term Loan)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured inter-alia by way of mortgage/ hypothecation/ charge/ assignment of below securities:

- a) Priority charge over the receivable of the Company from the sale of power from wind power projects, cashflows/repayment from the monetisation/ sale / divestment of PEL assets to the extent of Rs. 100 crores.
- b) First charge on Interest Service Reserve Account (ISRA) for the entire sanction limit of PFS.
- c) Demand Promissory Note of entire loan amount in favour of PFS.

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Notes to the Standalone Financial Statements for the year ended 31st March, 2020

16.2 Term loans from Others:

16.2.i Term loans from Others Comprises of:

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Non Current	Current	Non Current	Current
16.2.1	5,849.77	587.79	6,433.21	587.79
16.2.2	5,041.92	523.03	5,564.76	523.03
16.2.3	7,997.87	543.78	8,580.32	543.78
16.2.4	5,955.01	267.00	6,213.48	267.00
16.2.5	2,968.75	190.34	3,156.44	190.34
16.2.6	12,857.16	979.74	13,655.95	968.16
16.2.7	5,198.41	2,250.00	-	-
	45,868.89	5,341.68	43,604.16	3,080.10

16.2.ii Terms of Repayment:

	Effective interest rate per annum	Repayable (Total No. of instalments)	Amount of Installment (in ₹ Lakhs) (facility denotes the disbursement amount from time to time)	Installments due as at 31st March, 2020	Last installment due on
a. 20 MW Inox Project at Nipaniya, Madhya Pradesh Rural Electrification Corporation Limited (20 MW Project at Nipaniya, Madhya Pradesh)	10.61%	56 (Quarterly)	146.95	44	March, 2031
b. 30 MW Gamesa Project at Jaora, Madhya Pradesh PTC India Financial Services Limited	10.27%	56 (Quarterly)	130.76	43	December, 2030
c. 40 MW Inox Project at Payalakuntla, Madhya Pradesh Tata Cleantech Capital Limited	10.66%	12 Quarterly 4 Quarterly 4 Quarterly 4 Quarterly 4 Quarterly 12 Quarterly 8 Quarterly 1 Quarterly 2 Quarterly 4 Quarterly	1.40% of the facility 1.50% of the facility 1.60% of the facility 1.70% of the facility 1.80% of the facility 2.00% of the facility 2.10% of the facility 2.26% of the facility 2.27% of the facility 2.30% of the facility	47	December, 2031
d. 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh India Infrastructure Finance Company Limited	9.90%	30 Quarterly 6 Quarterly 1 Quarterly 11 Quarterly 1 Quarterly 4 Quarterly 8 Quarterly	0.89% of the facility 1.00% of the facility 1.87% of the facility 1.89% of the facility 2.00% of the facility 2.89% of the facility 3.89% of the facility	51	December, 2032
e. 50 MW Gamesa Project at Molagavalli, Andhra Pradesh India Infrastructure Finance Company Limited	9.95%	30 Quarterly 11 Quarterly 6 Quarterly 1 Quarterly 1 Quarterly 4 Quarterly 8 Quarterly	0.89% of the facility 1.89% of the facility 1.00% of the facility 1.83% of the facility 2.00% of the facility 2.89% of the facility 3.89% of the facility	52	March, 2033

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Notes to the Standalone Financial Statements for the year ended 31st March, 2020

f. 50 MW Gamesa Project at Bableshtar, Karnataka

Aditya Birla Finance Limited	9.40%	2 Quarterly	1.25% of the facility	45	June, 2031
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		
		8 Quarterly	2.00% of the facility		
		5 Quarterly	2.30% of the facility		

g. Medium Term Loan

PTC India Financial Services Limited	13.11%	End of 15th Month	10% of the facility	4	September, 2021
		End of 18th Month	20% of the facility		
		End of 21st Month	30% of the facility		
		End of 24th Month	40% of the facility		

16.2.iii The terms of repayment, as detailed in 'para - 16.2.ii' above are based on the total amounts of limits sanctioned, and the detail as mentioned in 'para- 16.2.i' above are based on the actual disbursements made so far.

NOTE - 17 PROVISIONS

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits	29.5	
- Gratuity	26.69	19.31
- Leave Encashment	36.91	22.31
- Post Retirement Medical Benefit	0.91	0.63
Total provisions	64.51	42.25

NOTE - 18 INCOME TAXES

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
(a) Deferred tax assets/(liabilities) relates to the following:		
Deferred Tax Liabilities		
- Property, Plant and Equipment	7,503.70	3,773.06
Deferred Tax Assets		
- Employee benefits expense	(16.57)	(12.62)
- Unabsorbed depreciation carried forward	(3,448.76)	-
- MAT credit entitlement	18.1	(1,595.81)
Net Deferred Tax Liabilities recognised	4,038.37	2,164.63

(b) Movement in temporary differences during current and previous year:

Particulars	Property, Plant and Equipment	Unabsorbed depreciation carried forward	Employee benefits expense	MAT credit entitlement	Total
Balance as on 01.04.2018	(1,547.38)	-	9.42	-	(1,537.96)
(Charged)/Credited to Profit or Loss	(2,225.68)	-	2.66	1,595.81	(627.21)
Credited to Other Comprehensive Income	-	-	0.54	-	0.54
Balance as on 31.03.2019	(3,773.06)	-	12.62	1,595.81	(2,164.63)
Balance as on 01.04.2019	(3,773.06)	-	12.62	1,595.81	(2,164.63)
(Charged)/Credited to Profit or Loss	(3,730.64)	3,448.76	3.43	(1,595.81)	(1,874.26)
Credited to Other Comprehensive Income	-	-	0.52	-	0.52
Balance as on 31.03.2020	(7,503.70)	3,448.76	16.57	-	(4,038.37)

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Notes to the Standalone Financial Statements for the year ended 31st March, 2020

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars		As at 31.03.2020	As at 31.03.2019
Accounting profit before tax expense		2,815.42	7,408.56
Enacted tax rates in India	18.1	25.17%	29.12%
Taxed at India's statutory income tax rate		708.58	2,157.37
Tax Effect of:			
Non- deductible expense		5.17	4.88
Non- taxable incomes			(10.63)
Expense disallowed earlier now allowed as per Income Tax Act, 1961		(0.04)	(0.75)
Impact of depreciation as per Income Tax Act, 1961		(1,812.32)	(2,094.95)
Impact of allowance of finance costs as per Income Tax Act, 1961		(33.72)	(32.28)
Carryforward of income tax losses for the current year		1,132.33	-
MAT credit write-off/(entitlement)		1,595.81	(1,595.81)
Deferred tax impact	18.1	278.45	2,222.68
Tax expense as per Normal Provisions of Income Tax Act, 1961		1,874.26	650.51
Tax as per MAT provision u/s 115JB of the Income Tax Act, 1961		-	1,595.81
Current Tax - Earlier Year/s		2.65	-
Income tax expense recognised in Standalone Statement of Profit and Loss		1,876.91	2,246.32

18.1 The Company from the current financial year (Assessment Year: 2020-21) has opted for new tax regime as inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961, and as under the said tax regime no claim / set off, of any brought forward MAT credit is allowed, therefore the MAT credit / entitlement of Rs. 1,595.81 lakhs pending for claim / set off has been written off and recognised as expense during the year. Further, the deferred tax assets / liabilities have also been re-measured at the tax rates in accordance with the said tax regime.

NOTE - 19 BORROWINGS

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Secured		
Working Capital Demand Loan	19.1	600.00
Line of Credit/Short Term Loan	19.2	1,200.00
Unsecured		
Line of Credit/Short Term Loan	19.3	-
		2,810.00
	1,800.00	5,810.00

19.1 Loan from Federal Bank is secured by Post Dated Cheques.

19.2 Loan from ICICI Bank is secured by Second Charge over all the movable assets including but not limited to plant and machinery, machinery spares, tools, spares and accessories by way of hypothecation of their respective projects.

19.3 Unsecured Loan from Vijaya Bank.

NOTE - 20 OTHER CURRENT FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Current Maturities of Borrowings	16	12,357.13
Interest accrued		15.36
Creditors for assets		1,514.53
Accrued expenses		1,735.34
Payable to employees		36.58
Total other current financial liabilities		15,658.94
		11,836.62

20.1 There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as on 31st March, 2020 / 31st March, 2019.

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

		(Amount in ₹ Lakhs)	
NOTE - 21 OTHER CURRENT LIABILITIES		As at 31st March, 2020	As at 31st March, 2019
Statutory liabilities		81.15	54.39
Total other current liabilities		81.15	54.39

		(Amount in ₹ Lakhs)	
NOTE - 22 PROVISIONS		As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits	29.5		
- Gratuity		0.36	0.30
- Leave Encashment		0.96	0.78
- Post Retirement Medical Benefit		0.01	0.01
Total provisions		1.33	1.09

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

(Amount in ₹ Lakhs)

NOTE - 23 REVENUE FROM OPERATIONS

Note No.	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Sale of products		
- Sale of power generated from Wind Mills	27,526.29	30,027.91
Other operating revenue		
- Generation based incentive	2,800.41	3,068.97
- Recoveries of revenue loss from Wind Mill Contractors	136.56	50.60
Total revenue from operations	30,463.26	33,147.48

23.1 Receivable from Indian Renewable Energy Development Agency (IREDA). Also Refer Accounting Policy No. 2.7.b.

(Amount in ₹ Lakhs)

NOTE - 24 OTHER INCOME

	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Interest Income on:		
- Term Deposits	560.15	471.61
- Financial assets at amortised cost at EIR	-	1.84
Other non-operating revenue		
- Rental Income on leasehold premises	-	50.89
- Profit on disposal of Property, plant and equipment (net)	-	0.01
- Liabilities/provisions written back	3.65	2.32
- Insurance Claim	-	29.18
Total other income	563.80	555.85

(Amount in ₹ Lakhs)

NOTE - 25 DIRECT EXPENSES

Note No.	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Electricity Charges	351.57	244.45
Inspection Charges - CEIG	10.43	10.43
Rent on Project Lands	47.50	47.50
Repair & Maintenance - Wind Mill	110.00	17.18
Operation and Maintenance - Wind Mill	1,671.27	260.31
Other miscellaneous expenses	0.24	1.29
Total direct expenses	2,191.01	581.16

25.1 Net of insurance claim of Rs. 609.27 lakhs (Rs. 150.00 lakhs already received and Rs. 459.27 lakhs receivable as at 31st March, 2020) against the total expenses of Rs. 719.27 lakhs during the current year.

(Amount in ₹ Lakhs)

NOTE - 26 EMPLOYEE BENEFITS EXPENSE

Note No.	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Salaries, wages, bonus, gratuity, leave encashment, allowances etc.	286.92	257.31
Contribution to provident and other funds etc.	19.99	16.75
Staff welfare expenses	7.79	13.39
Total employee benefits expense	314.70	287.45

PTC ENERGY LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

NOTE - 27 FINANCE COSTS	(Amount in ₹ Lakhs)	
	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Interest expense on:		
- Term loans	14,999.98	15,499.88
- Working capital loans	992.39	138.83
Other finance costs	3.32	2.53
Other borrowing costs	97.94	151.18
Total finance costs	16,093.63	15,792.42

NOTE - 28 OTHER EXPENSES	(Amount in ₹ Lakhs)	
	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Rent	64.01	121.94
Legal & professional charges	209.35	143.30
Insurance	98.82	86.97
Rates and Taxes	2.74	20.05
Travelling and conveyance expenses	19.97	24.25
Repairs & Maintenance- Building	6.03	13.95
Bank charges	4.14	17.04
Directors' Sitting Fee	26.90	26.90
Security Expenses	-	7.25
Business development	1.13	2.54
Electricity Expense	0.32	2.15
Communication Expenses	1.72	1.77
CSR Expenditure	-	5.98
Payments to the auditors:		
- Statutory Audit Fee	2.95	2.65
- Limited Review Fee	2.66	0.89
- Tax Audit / GST Audit Fee	1.46	0.77
- Certification work	1.71	2.41
- Out of pocket expenses	1.13	0.25
Other receivables written off (net of recovery)	11.37	-
Assets written off	0.03	0.26
Other miscellaneous expenses	28.41	19.63
Total other expenses	484.85	500.95

PTC ENERGY LIMITED

NOTE – 29: OTHER NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

29.1 Contingent Liabilities:

Tax demand of Rs. 38.64 lakhs (Previous Year: Rs. 13.30 lakhs) raised by the Income Tax Department has not been adjusted in the accounts, as the Company has filed appeals against the said demands, which are pending with the appellate authority for final decision. The management and its advisers are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of this proceeding will not have any material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursement in respect of this contingent liability, and it is not practicable to estimate the timing of cash outflows, if any, in respect of this matter, pending resolution of the appellant proceeding.

29.2 Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development Act, 2006:-

(Rs. in Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
i. Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act.		
- Principal	-	-
- Interest	-	-
ii. Amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv. The amount of interest accrued and remaining unpaid	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-

The above information regarding dues to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information collected with the Company.

29.3 Leases

The Company is having short-term leases i.e. leases with a lease term of 12 months or less and containing no purchase options. Payments associated with these leases of Rs. 64.01 lakhs (Previous year: Rs. 121.94 lakhs) have been recognised as expense on a straight-line basis over the lease term.

29.4 Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The contributions towards CSR was on the activities which are specified in Schedule VII of the Companies Act, 2013. The detail of the amount spent during the year is as under:

(Rs. in Lakhs)				
		Amount spent during the current year ended 31 st March, 2020	Amount pending for spending as at 31 st March, 2020	Total Amount
-	Gross Amount lying pending for the earlier year as at 01.04.2019			-
-	Gross Amount required to be spent during the year			57.08
-	Amount spent during the year:			
	a. Construction/acquisition of any asset	-	-	-
	b. Contribution to Trusts / NGOs / Societies	-	-	-

29.5 Employee Benefits

(a) Defined Benefit plans:

Gratuity:

Payable on separation as per the Payment of Gratuity Act, 1972 as amended, @ 15 days pay, for each completed year of service to eligible employees who render continuous service of 5 years or more, subject to maximum limit of Rs. 20 lakhs.

Post-Retirement Medical Benefit:

The scheme under which, after completion of a continuous specified period of employment, the employees and their spouses are eligible for medical facilities after their retirement.

(b) Other Long-Term Benefit:

Employees of the Company are entitled to accumulate their earned / privilege leave, which is payable / encashable as per the Company's policy, while on service or on their separation. During the year, amount of Rs. 8.37 lakhs (Previous Year: Rs. 6.41 lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds.

(c) Defined Contribution plan:

The Company's approved Provident Fund and National Pension Scheme are the defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. During the year, amount of Rs. 19.99 lakhs (Previous Year: Rs. 16.75 lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds as under:

Particulars	Year ended 31 st March, 2020 (Rs. In lakhs)	Year ended 31 st March, 2019 (Rs. In lakhs)
Employer's contribution towards Provident Fund	12.54	11.59
Employer's contribution towards National Pension Scheme	7.45	5.16

(d) Other disclosures of Defined Benefit plans are as under:

i) Reconciliation of the opening and closing balances of Defined Benefit Obligations:

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31 st March, 2020	Year ended 31 st March, 2019	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Present Value of Defined Benefit Obligation at the beginning of year	19.61	13.16	0.64	0.40
Acquisition Adjustment (Liability paid to PTC India Limited)	(0.79)	(0.54)	-	-
Interest cost	1.50	1.02	0.05	0.03
Current Service Cost	4.70	4.14	0.21	0.19
Actuarial Loss on arising from Change in Demographic Assumption	0.01	-	0.01	-
Actuarial Loss arising from Change in Financial Assumptions	1.26	1.78	0.05	0.02
Actuarial (Gain) / Loss arising from Changes in Experience Adjustments	0.76	0.05	(0.04)	-
Present value of the Defined Benefit Obligation at the end of year	27.05	19.61	0.92	0.64

ii) **Net Defined Benefit recognized in the Statement of Profit and Loss.**

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Current Service Cost	4.70	4.14	0.21	0.19
Interest cost	1.50	1.02	0.05	0.03
Net Defined Benefit recognized in Statement of Profit and Loss	6.20	5.16	0.26	0.22

iii) **Recognized in Other Comprehensive Income.**

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Actuarial Loss on arising from Change in Demographic Assumption	0.01	-	0.01	-
Actuarial Loss on arising from Change in Financial Assumption	1.26	1.78	0.05	0.02
Actuarial (Gain)/Loss on arising from Changes in Experience Adjustments	0.76	0.05	(0.04)	-
Net actuarial Loss	2.03	1.83	0.02	0.02

iv. **Sensitivity Analysis***

a) **Impact of the change in the discount rate**

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Present value of the Defined Benefit Obligation at the end of year	27.05	19.61	0.92	0.64
a) Impact due to increase of 0.50%	(1.57)	(1.13)	(0.34)	(0.24)
b) Impact due to decrease of 0.50%	1.73	1.25	0.35	0.25

b) Impact of the change in the salary increase

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Present value of the Defined Benefit Obligation at the end of year	27.05	19.61	0.92	0.64
a) Impact due to increase of 0.50%	1.70	1.23	(0.34)	(0.24)
b) Impact due to decrease of 0.50%	(1.55)	(1.13)	0.35	0.25

*Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

* Sensitivities as to rate of increase of pension in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

v. Maturity Profile.

(Rs. in Lakhs)

Year	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
0 to 1 year	0.36	0.30	-	-
1 to 2 Year	1.41	0.19	-	-
2 to 3 Year	0.54	0.36	-	-
3 to 4 Year	9.51	0.39	-	-
4 to 5 Year	0.33	0.96	0.01	0.60
5 to 6 Year	0.33	6.66	-	-
6 Year onwards	14.57	10.75	0.91	0.04

vi. Expected contribution for the next Annual reporting period

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Service Cost	5.18	4.59	0.23	0.21
Net Interest Cost	1.83	1.50	0.06	0.05
Expected Expense for the next annual reporting period	7.01	6.09	0.29	0.26

vii) **Actuarial Assumptions:**

Principal assumptions used for actuarial valuation are:

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Method used	Projected unit credit method			
Discount rate	6.76	7.65	6.76	7.65
Salary Escalation	8.50	9.00	8.50	9.00
Mortality Rate	100% of IALM (2012-14)	100% of IALM (2006-08)	100% of IALM (2012-14)	100% of IALM (2006-08)
Withdrawal rate up to 30/44 and above 44 years	3%/2%/1%			

29.6 Earnings per Share (EPS)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Net (Loss) / Profit as per Statement of Profit and Loss – (Rs. in lakhs)	938.51	5,162.24
Basic/Diluted weighted average number of equity shares outstanding during the year	65,41,17,494	65,41,17,494
Nominal value of Equity Share (Rs.)	10	10
Basic/Diluted Earnings per Share (Rs.)	0.14	0.79

29.7 Financial Instruments

- a. The carrying value and fair value of financial instruments by categories are as follows:

(Rs. in lakhs)

Particulars	Carrying value		Fair value	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
<u>Financial Assets</u>				
At amortised cost				
Non-current				
Others non-current financial assets	34.73	34.71	34.73	34.71
Current				
Trade receivables	21,901.97	18,377.66	21,901.97	18,377.66
Cash and cash equivalents	922.79	1,413.19	922.79	1,413.19
Bank balance other than cash and cash equivalents	9,166.91	6,074.41	9,166.91	6,074.41
Loans	5.20	7.28	5.20	7.28
Others current financial assets	2,510.55	1,890.57	2,510.55	1,890.57
Total Financial Assets	34,542.15	27,797.82	34,542.15	27,797.82

<u>Financial Liabilities</u>				
At amortised cost				
Non-current				
Borrowings	1,28,926.87	1,33,259.62	1,28,926.87	1,33,259.62
Current				
Borrowings	1,800.00	5,810.00	1,800.00	5,810.00
Other current financial liabilities	15,658.94	11,836.62	15,658.94	11,836.62
Total Financial Liabilities	1,46,385.81	1,50,906.24	1,46,385.81	1,50,906.24

The management assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances and other financial assets measured at amortised cost equals their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Financial assets measured at amortised costs are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances, if any, have been taken into account for the expected losses of the receivables.

b. Details of assets pledged as security

The carrying amount of financial assets and property, plant and equipment as at 31st March, 2020 and 31st March, 2019, that the Company has provided as security for obtaining borrowings and other facilities from the bankers are as follows:

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2020	As at 31 st March, 2019
Financial Assets		
Trade Receivable	21,901.97	18,377.66
Cash & Cash Equivalents	828.52	1,298.85
Fixed deposits with banks	7,482.93	5,804.41
Property, Plant and Equipment (Gross Carrying value)	2,13,298.49	2,13,298.49
Total	2,43,511.91	2,38,779.41

29.8 Capital Management

The Company's policy is to maintain a strong capital base so as to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to

maximize shareholder value. The Company monitors debt equity ratio, which is total debt divided by total equity. The objectives for managing capital are being achieved by way of maintaining an optimal debt equity ratio as given in below table.

The capital structure is as follows:

		(Rs. in lakhs)	
Particulars		As at 31 st March, 2020	As at 31 st March, 2019
Total equity attributable to the equity shareholders of the company	(a)	70,908.89	69,971.91
As percentage of total capital	(a/c)	33.14%	31.96%
Current Borrowings		1,800.00	5,810.00
Non-Current Borrowings		1,41,284.00	1,43,146.22
Total Borrowings	(b)	1,43,084.00	1,48,956.22
As percentage of total capital	(b/c)	66.86%	68.04%
Total capital (borrowings and equity)	(c)	2,13,992.89	2,18,928.13
Debt equity ratio	(b/a)	2.02	2.13

29.9 Related Party Disclosures (Ind-AS 24):

A) Names of the related parties

a. Holding Company

PTC India Limited

b. Entities under Common Control

PTC India Financial Services Limited
PTC Foundation

c. Associate Company

RS India Global Energy Limited

d. Key management personnel

Mr. Ajit Kumar

– Managing Director

Mr. Dharendra Swarup

– Independent Director

Mr. R. N. Nayak

– Independent Director

Mrs. Pravin Tripathi

– Independent Director

Ms. Bharti Prasad (w.e.f. 07th May, 2019)

– Independent Director

Mrs. Sushama Nath (upto 14th March, 2019)

– Independent Director

B) Description of transactions with the related parties in the normal course of business:

		(Rs. in lakhs)	
Name of Related Party	Nature of Transaction	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Holding Company : – PTC India Limited	Expenses incurred on the behalf of the Company	34.76	24.10
	Rent Expense	64.01	33.40
	Rental Income (exclusive of Indirect taxes)	-	50.89
	Expenses incurred by the Company on their behalf	0.08	7.26
	Sitting Fees paid	5.20	6.80
Independent Director -	Sitting Fees paid	5.20	4.80

Mr. Dharendra Swarup			
Independent Director - Mr. R. N. Nayak	Sitting Fees paid	4.80	4.80
Independent Director - Mrs. Pravin Tripathi	Sitting Fees paid	5.20	4.40
Independent Director - Mrs. Sushama Nath	Sitting Fees paid	-	2.00
Independent Director - Ms. Bharti Prasad	Sitting Fees paid	2.40	-
Entities under Common Control: - PTC India Financial Services Limited	Term Loan Repayment	523.03	523.03
	Interest on Term Loan	631.43	647.31
	Interest on Medium Term Loan	472.60	-
	Medium Term Loan Received	7,500.00	-
	Processing fees paid	70.80	-
	Reimbursement of Expenses (expenses incurred on behalf of the Company)	4.04	6.29
	Reimbursement of Expenses (expenses incurred by the Company on their behalf)	15.29	33.58
Entities under Common Control: - PTC Foundation	CSR Expenses	-	5.98

C) Outstanding balances as at year-end:

(Rs. in lakhs)

Name of Related Party	Nature	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Associate Company: - R S India Global Energy Limited	Investment Outstanding (Gross: without consideration of impairment of Rs. 2,340.25 lakhs)	2,340.25	2,340.25
Entities under Common Control: - PTC India Financial Services Limited	Term Loan (Secured)	5,564.96	6,087.79
	Medium Term Loan (Secured)	7,448.41	--
	Reimbursement Receivable	13.67	32.51

Notes:

1. Related party relationship is as identified by the Company and relied upon by the Auditors.
2. The Transactions with the related parties as detailed above have been entered / conducted by the Company at arm's length.

29.10 Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations and other receivables.

The Company's activities expose it to market risk (interest rate risk), credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to

minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

Credit risk

Credit risk is the risk that customer or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's significant credit risk concentration is its trade receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counter parties, and regularly monitors its receivables and their ageing to assess if any provisions are required

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment recognised represents the maximum credit exposure. The maximum credit exposure is as follows:

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2020	As at 31 st March, 2019
Other non-current financial assets	34.73	34.71
Trade Receivables	21,901.97	18,377.66
Cash and cash equivalents	922.79	1,413.19
Bank Balance other than disclosed above	9,166.91	6,074.41
Loans	5.20	7.28
Other current financial assets	2,510.55	1,890.57
Total	34,542.15	27,797.82

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Company has enough receivables and fixed deposits to meet its financial obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March, 2020 and 31st March, 2019.

Particulars	(Rs. in lakhs)		
	As at 31.03.2020		
	Less than 1 Year	1-2 Years	2 Years and above
Borrowings	14,157.14	15,565.60	1,13,361.27
Other Financial liabilities	3,301.81	--	--

Particulars	As at 31.03.2019		
	Less than 1 Year	1-2 Years	2 Years and above
Borrowings	15,696.50	9,057.81	1,24,201.81
Other Financial liabilities	1,950.03	-	-

Market Risk (Interest rate risk)

Market Risk comprise only Interest rate risk in case of company and financial instruments affected by market risk is Borrowing and Interest. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate risk primarily arises from floating rate borrowing. However, company manages this risk by fixing rate of interest for initial period in respect of certain loans. The Company's long-term borrowing is duly funded by its receivables and deposits, which do not expose it to significant interest rate risk.

The sensitivity analysis of interest rate is given as follows

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Increase/decrease in basis points	Effect on profit before tax	Effect on profit before tax
+0.50 (i.e. Base rate + Spread +0.50%)	(750.00)	(774.99)
-0.50 (i.e. Base rate + Spread -0.50%)	750.00	774.99

29.11. Operating Segments

The Company is engaged in generation and selling of the power / electricity, and has no other business / segments and has no overseas operations / units and as such there is no reportable segment as per Indian Accounting Standard (Ind AS-108) dealing with the operating segments.

- 29.12.** Some of the balances of trade receivables, creditors for capital goods and other parties are subject to confirmation / reconciliation. Adjustment, if any will be accounted for on confirmation / reconciliation of the same, which in the opinion of the management will not have a material impact.
- 29.13** The SARS-CoV-2 virus responsible for COVID-19, which has been declared a Global pandemic by the World Health Organization, continues to spread across the globe, and has contributed to a significant decrease in global and local economic activities, and most of the governments including the Indian Government, have announced the strict lockdowns across their respective countries as one of the strongest measures to contain the spread of the virus. As at the date of approval of these financial statements, it is estimated that the impact of Covid-19 on the financial statements is not significant. Extent to which the COVID-19 pandemic will impact the Company's future activities and financial results will depend on future developments which are highly uncertain, therefore the impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.
- 29.14** Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL), the state utility to whom the electricity is supplied, vide its letter dated 12.07.2019 asked the Company to either reduce the tariff of electricity supplied to it from Rs. 4.84 per unit (as agreed in the Power

Purchase Agreement / PPA) to Rs. 2.43 per unit, or face the termination of PPA. The said action of APSPDCL, was challenged by the Company and other Wind Power Generators in the Hon'ble High Court of Andhra Pradesh, and the Hon'ble High Court vide its interim order, set aside the action of APSPDCL, and directed for resolution of the said matter by Andhra Pradesh Electricity Regulatory Commission (APERC), and till then the payment to the Wind Power Generators should be made at an interim rate of Rs. 2.43 per unit. Simultaneously, Company filed another petition with Hon'ble High Court for release of outstanding dues, and the Hon'ble Court directed APSPDCL to clear all the outstanding bills of the Company at the interim rate of Rs. 2.43 per unit in three instalments starting from 01.11.2019 onwards. Pursuant to this order, certain payments have been received from APSPDCL. The said matter is pending for final resolution with APERC. Further, the authority of APERC for re-opening the tariff has been again challenged by Wind Power Generators including the Company in the higher bench of Hon'ble High Court and hearings are in progress for same.

Further, amounts have also been deducted / withheld by APSPDCL, while making payment to the Company on account of Generation Based Incentive (GBI), which is receivable in addition to the tariff rates from the Andhra Pradesh Government as per PPA. APSPDCL is disputing that the said amount is also considered to be part of tariff rate, and if paid by the government then it should be deducted from the billing of the electricity to that extent. The various Wind Power Generators including the Company has challenged the same by filing a separate petition in the Hon'ble High Court of Andhra Pradesh, for which a stay was granted by the Hon'ble Court against deduction of GBI amount by APSPDCL. The matter is pending for final decision.

Considering that the above amounts have been billed to and are recoverable from the Andhra Pradesh Government / APSPDCL as per the terms of agreement / PPA, the management of Company including its legal advisers are of the view that the above actions of APSPDCL may not be legally sustainable, and therefore the management believes that the ultimate outcome of the same will not have any material adverse effect on the Company's financial position and results of operations, and the amounts dues from APSPDCL are good for recovery.

29.15 The previous year's figures have been re-grouped/re-classified wherever considered necessary.

As per our Report of even date attached

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No. 000346N

**For and on behalf of the Board of Directors of
PTC Energy Limited**

sd/-
Gautam Bhutani
Partner
M. No. 524485
UDIN-20524485AAAAAW6768

sd/-
Ajit Kumar
Managing Director
DIN:06518591

sd/-
Rajib Kumar Mishra
Director
DIN:06836268

Place: New Delhi
Date: 22nd May, 2020

sd/-
Shashank Gupta
Chief Financial Officer

sd/-
Nidhi Verma
Company Secretary

S.P. CHOPRA & CO.
Chartered Accountants

31-F, Connaught Place
New Delhi- 110 001
Tel: 91-11-23313495-6-7
Fax: 91-11-23713516
ICAI Regn.No. 000346N
Website : www.spchopra.in
E-mail: spc1949@spchopra.in

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 'PTC ENERGY LIMITED'
ON CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying **consolidated financial statements of PTC Energy Limited** (hereinafter referred to as the "Parent Company") and its Associate Company, namely, R. S. India Global Energy Limited, (Parent Company and its Associate Company together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020 and its consolidated profit (including Other Comprehensive Income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

Attention is invited to Note No. 29.13 of the consolidated financial statements, which set out the position regarding Associate Company, for which neither audited nor management accounts for the financial year ended 31st March, 2020 were available with the Parent Company for the consolidation purposes. However, since the Parent Company has fully provided for diminution in investment held in the said Associate Company and does not have any further obligation over and above the cost of the investment, in the view of the management there is no impact thereof on these consolidated financial statements.

Our opinion on the consolidated financial statement is not modified in respect of above matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures, but does not include the consolidated financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this Auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report, including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the parent company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Parent Company so far as appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Parent Company for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- e. on the basis of the written representations received from the directors of the Parent Company and taken on record by its Board of Directors, none of the directors of the Parent Company is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements and operating effectiveness of such controls of the Parent Company, audited by us, refer to our separate report in **Annexure-'A'**;
- g. As no remuneration has been paid by the Parent Company to its Directors, accordingly the provisions of Section 197 of the Companies Act, 2013 are not applicable to the Parent Company;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note 29.1 to the consolidated financial statements;
- ii. The Parent Company has not entered into any long-term contracts including derivative contracts.
- iii. There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its Subsidiary companies incorporated in India.

For S.P. CHOPRA & CO.

Chartered Accountants
Firm Regn. No. 000346N

sd/-

(Gautam Bhutani)

Partner

M. No. 524485

UDIN - 20524485AAAAAV1024

Place: New Delhi

Dated: 22nd May, 2020

ANNEXURE-'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of the independent auditors report of even date on the consolidated financial statements of 'PTC Energy Limited' for the year ended 31st March, 2020)

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

We have audited the internal financial controls over financial reporting of PTC Energy Limited ("the Parent Company") for the year ended 31st March, 2020, in conjunction with our audit of the consolidated financial statements of Parent Company and its Associate Company namely, R. S. India Global Energy Limited (Parent Company and its Associate Company together referred to as "the Group") for the year ended on that date. Since the Audit Report of the Associate Company is not available, we are unable to comment on the adequacy of internal financial controls with reference to the financial statements and their operating effectiveness in respect of the said Associate Company.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Parent Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.P. CHOPRA & CO.
Chartered Accountants
Firm Regn. No. 000346N

Place : New Delhi
Dated : 22nd May, 2020

sd/-
(Gautam Bhutani)
Partner
M. No. 524485
UDIN - 20524485AAAAV1024

PTC ENERGY LIMITED				
Consolidated Balance Sheet as at 31st March, 2020				
(Amount in ₹ Lakhs)				
	Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
A	ASSETS			
I	Non-current assets			
	a) Property, Plant and Equipment	3	1,84,195.92	1,93,320.21
	b) Investment accounted for using the equity method	4	-	-
	c) Financial Assets			
	i) Other non-current financial assets	5	34.73	34.71
	d) Non-current tax assets (net)	6	1,009.12	553.81
	e) Other non-current assets	7	1,248.09	1,295.59
			1,86,487.86	1,95,204.32
II	Current Assets			
	a) Financial Assets			
	i) Trade receivables	8	21,901.97	18,377.66
	ii) Cash and cash equivalents	9	922.79	1,413.19
	iii) Bank balances other than cash and cash equivalents	10	9,166.91	6,074.41
	iv) Loans	11	5.20	7.28
	v) Other current financial assets	12	2,510.55	1,890.57
	b) Other current assets	13	484.78	173.08
			34,992.20	27,936.19
	TOTAL ASSETS (I + II)		2,21,480.06	2,23,140.51
B	EQUITY AND LIABILITIES			
I	Equity			
	a) Equity share capital	14	65,411.75	65,411.75
	b) Other equity	15	5,497.14	4,560.16
			70,908.89	69,971.91
II	Liabilities			
	Non-current liabilities			
	a) Financial liabilities			
	i) Borrowings	16	1,28,926.87	1,33,259.62
	b) Provisions	17	64.51	42.25
	c) Deferred Tax liabilities (net)	18	4,038.37	2,164.63
			1,33,029.75	1,35,466.50
III	Current liabilities			
	a) Financial liabilities			
	i) Borrowings	19	1,800.00	5,810.00
	ii) Other current financial liabilities	20	15,658.94	11,836.62
	b) Other current liabilities	21	81.15	54.39
	c) Provisions	22	1.33	1.09
			17,541.42	17,702.10
	TOTAL EQUITY AND LIABILITIES (I + II + III)		2,21,480.06	2,23,140.51
Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Consolidated Financial Statements.				
<div> <div> As per our Report of even date attached For S. P. Chopra & Co. Chartered Accountants Firm Registration No. 000346N sd/- (Gautam Bhutani) Partner M. No. 524485 UDIN : 20524485AAAAV1024 </div> <div> For and on behalf of the Board of Directors of PTC Energy Limited sd/- Ajit Kumar Managing Director DIN: 06518591 sd/- Shashank Gupta Chief Financial Officer </div> <div> sd/- Rajib Kumar Mishra Director DIN: 06836268 sd/- Nidhi Verma Company Secretary </div> </div>				
Place: New Delhi Date: 22nd May, 2020				

PTC ENERGY LIMITED				
Consolidated Statement of Profit and Loss for the year ended 31st March, 2020				
(Amount in ₹ Lakhs)				
	Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
I	INCOME			
	Revenue from operations	23	30,463.26	33,147.48
	Other income	24	563.80	555.85
	Total Income (I)		31,027.06	33,703.33
II	EXPENSES			
	Direct expenses	25	2,191.01	581.16
	Employee benefits expense	26	314.70	287.45
	Finance costs	27	16,093.63	15,792.42
	Depreciation	3	9,127.45	9,132.79
	Other expenses	28	484.85	500.95
	Total Expenses (II)		28,211.64	26,294.77
III	Profit before tax (I - II)		2,815.42	7,408.56
IV	Tax expense:	18		
	- Current Tax - Minimum Alternate Tax (MAT)		-	1,595.81
	- Minimum Alternate Tax credit write-off/(entitlement)		1,595.81	(1,595.81)
	- Current Tax - Earlier Year/s		2.65	23.30
	- Deferred tax		278.45	2,223.02
V	Profit for the year (III-IV)		938.51	5,162.24
VI	Other Comprehensive Income			
	- Items that will not be reclassified to profit or loss			
	Remeasurement of net defined benefit liability		(2.05)	(1.85)
	Income tax effect on above		0.52	0.54
	Total Other Comprehensive (Loss) (VI)		(1.53)	(1.31)
VII	Total Comprehensive Income for the year (V - VI)		936.98	5,160.93
VIII	Profit for the year attributable to:			
	- Owners of the parent		938.51	5,162.24
	- Non- Controlling interest		-	-
IX	Other Comprehensive Income for the year attributable to:			
	- Owners of the parent		(1.53)	(1.31)
	- Non- Controlling interest		-	-
X	Total Comprehensive Income for the year attributable to:			
	- Owners of the parent		936.98	5,160.93
	- Non- Controlling interest		-	-
XI	Earnings per equity share	29.6		
	Basic		0.14	0.79
	Diluted		0.14	0.79
Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Consolidated Financial Statements.				
As per our Report of even date attached For S. P. Chopra & Co. Chartered Accountants Firm Registration No. 000346N			For and on behalf of the Board of Directors of PTC Energy Limited	
sd/- (Gautam Bhutani) Partner M. No. 524485 UDIN : 20524485AAAAAV1024			sd/- Ajit Kumar Managing Director DIN: 06518591	
			sd/- Rajib Kumar Mishra Director DIN: 06836268	
			sd/- Shashank Gupta Chief Financial Officer	
			sd/- Nidhi Verma Company Secretary	
Place: New Delhi				
Date: 22nd May, 2020				

PTC ENERGY LIMITED

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2020

(Amount in ₹ Lakhs)

Balance as at 1st April, 2019	Changes in Equity Share Capital during the year	Balance as at 31st March, 2020
65,411.75	-	65,411.75

For the year ended 31st March, 2019

(Amount in ₹ Lakhs)

Balance as at 1st April, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
65,411.75	-	65,411.75

B. OTHER EQUITY

For the year ended 31st March, 2020

(Amount in ₹ Lakhs)

Particulars	Reserves and Surplus Retained Earnings	Other Component of Equity - Remeasurements of net defined benefit liability	Total
Balance as at 1st April, 2019	4,561.66	(1.50)	4,560.16
Profit for the year	938.51	-	938.51
Other Comprehensive loss for the year	-	(1.53)	(1.53)
Balance as at 31st March, 2020	5,500.17	(3.03)	5,497.14

For the year ended 31st March, 2019

(Amount in ₹ Lakhs)

Particulars	Reserves and Surplus Retained Earnings	Other Component of Equity - Remeasurements of net defined benefit liability	Total
Balance as at 1st April, 2018	(600.58)	(0.19)	(600.77)
Profit for the year	5,162.24	-	5,162.24
Other Comprehensive loss for the year	-	(1.31)	(1.31)
Balance as at 31st March, 2019	4,561.66	(1.50)	4,560.16

Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Consolidated Financial Statements

As per our Report of even date attached

For S. P. Chopra & Co.

Chartered Accountants

Firm Registration No. 000346N

(Gautam Bhutani)

Partner

M. No. 524485

UDIN : 20524485AAAAV1024

For and on behalf of the Board of Directors
of PTC Energy Limited

sd/-

Ajit Kumar

Managing Director

DIN: 06518591

sd/-

Shashank Gupta

Chief Financial Officer

sd/-

Rajib Kumar Mishra

Director

DIN: 06836268

sd/-

Nidhi Verma

Company Secretary

Place: New Delhi

Date: 22nd May, 2020

PTC ENERGY LIMITED Consolidated Statement of Cash Flows for the year ended 31st March, 2020 (Amount in ₹ Lakhs)		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2,815.42	7,408.56
Adjustment for:		
Depreciation and amortization expense	9,127.45	9,132.79
Interest Income on fixed deposits and other interest	(560.15)	(471.61)
Interest income on financial assets at amortised cost	-	(1.84)
Finance costs	16,093.63	15,792.42
Liabilities/provisions written back	(3.65)	(2.32)
(Profit) on sale of property, plant and equipment	-	(0.01)
Other receivables written off (net of recovery)	11.37	-
Property, plant and equipment written off	0.03	0.26
Operating Profit before Working Capital Changes	27,484.10	31,858.25
Adjustment for working capital changes:		
Trade receivables	(3,535.67)	(12,125.48)
Loans, other current financial assets, other non-current and current assets	(884.83)	(188.49)
Provisions, other current financial liabilities and other current liabilities	3,875.43	(3,020.42)
Cash Generated from Operating Activities	26,939.03	16,523.86
Direct Taxes Paid (Net)	(457.96)	(1,619.98)
Net Cash flow from Operating Activities (A)	26,481.07	14,903.88
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(3.19)	(11.24)
Proceeds from Sale of Property, Plant and Equipment	-	0.12
Receipt of Interest Income	562.86	412.57
Movement of term deposits with bank (having maturity of more than three months)	(3,092.49)	(1,845.02)
Net Cash used in Investing Activities (B)	(2,532.82)	(1,443.57)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of long term borrowings (net)	(1,862.22)	(6,926.15)
(Repayment)/Proceeds from working capital loans (net)	(4,010.00)	5,810.00
Interest paid on borrowings	(18,566.43)	(15,792.42)
Net Cash used in Financing Activities (C)	(24,438.65)	(16,908.57)
Net Decrease in cash and cash equivalents (A+B+C)	(490.40)	(3,448.26)
Cash and Cash equivalent (Opening Balance)	1,413.19	4,861.45
Cash and Cash equivalent (Closing Balance)	922.79	1,413.19
Components of Cash and Cash equivalents (Closing Balance)		
Balance with banks		
i) in current accounts		
- held as TRA with lender banks	249.33	612.62
- others	94.27	114.34
ii) in term deposits with original maturity upto 3 months	579.19	686.23
	922.79	1,413.19
The above Consolidated Statement of cash flows has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows.		
Figures in brackets indicate cash outflow.		
Significant Accounting Policies' and 'Notes 1 to 29' form an integral part of the Consolidated Financial Statements,		
<p>As per our Report of even date attached</p> <p>For S.P. Chopra & Co. Chartered Accountants Firm Registration No. 000346N</p> <p>(Gautam Bhutani) Partner M. No. 524485 UDIN : 20524485AAAAV1024</p> <p>Place: New Delhi Date: 22nd May, 2020</p>		
<p>For and on behalf of the Board of Directors of PTC Energy Limited</p> <p>sd/- Ajit Kumar Managing Director DIN: 06518591</p> <p>sd/- Rajib Kumar Mishra Director DIN: 06836268</p> <p>sd/- Shashank Gupta Chief Financial Officer</p> <p>sd/- Nidhi Verma Company Secretary</p>		

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

1. GROUP INFORMATION

PTC Energy Limited (the 'Parent Company') is a public limited company incorporated and domiciled in India, having its registered office at 2nd Floor, NBCC Tower, 15, Bhikaji Cama Place, New Delhi-110066, and is a wholly owned subsidiary of PTC India Limited. The Parent Company was formed in August, 2008 with the objectives to carry out the business of generation and supply / distribution / transmission of power and to provide advisory services in energy sector, and has presently seven Wind Power Generation Plants (Wind Mills) for generation of power, which is sold to the State Government / Electricity Distribution Companies.

The Parent Company, has one Associate Company namely 'R.S. India Global Energy Limited'. Associate Company is the entity over which the Parent Company has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

The accompanying Consolidated Financial Statements relate to PTC Energy Limited ('the Parent Company') and its Associate Company (together referred as "the Group").

The consolidated financial statements for the year ended 31st March, 2020 were approved by the Board of Directors of Parent Company and authorized for issue on 22nd May, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance and Basis of preparation

a. Basis of preparation of Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other relevant provisions of the Act, to the extent applicable.

The consolidated financial statements have been prepared and presented on a going concern basis and on the accrual basis of accounting. All the assets and liabilities are classified as current and non-current as per the Group's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

During the year, Ind AS 116 – Leases, has become effective from 1st April, 2019. The Parent Company has accordingly adopted it from the said date, and as permitted by its transitional provisions, has elected to adopt the modified retrospective approach under which the cumulative effect of initial application is to be applied as an adjustment to the opening Equity / Retained Earnings at the date of its initial application i.e. 1st April, 2019, instead of restating the comparative information, however, as the Parent Company is not having any such lease, no such adjustment / treatment is required in these financial statements.

b. Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except, certain financial assets and liabilities, measured at fair value.

c. Functional and presentation currency

The consolidated financial statements are prepared in Indian Rupees ('Rs.'), which is the Group's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs with two decimal places, unless stated otherwise.

d. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities:

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Group has identified twelve months as its operating cycle.

e. Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that requires material adjustments to the carrying amount of the assets and liabilities in future period/s. These estimates and assumptions are based on the facts and events, that existed as at the date of Statement of Financial Position, or that occurred after that date but provide additional evidence about conditions existing as at the Statement of Financial Position date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year/s are given below.

i. Useful lives of Property Plant and Equipment

The Property, Plant and Equipment are depreciated on a pro-rate basis on straight line or written down value basis over their respective useful lives. Management estimates the useful lives of these assets as detailed in Note 2.4 below. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the financial position in future years.

ii. Retirement benefit obligation

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity, Leave Encashment and Post-Retirement Medical is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long-term government bonds with extrapolated maturity corresponding to the expected duration of these obligations. The mortality rate is based on publicly available mortality table for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis are given in Note 29.5.

iii. **Taxes**

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

iv. **Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v. **Impairment of Financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi. **Impairment of non-Financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

2.2 Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following principles:-

- i) The financial statements of the Associate Company are drawn up to the same reporting date as of the Parent Company.
- ii) The Investment in the Associate Company is accounted for using the Equity Method of accounting. Under Equity method of accounting, the investment is initially recognized at cost, and adjusted thereafter to recognize the Parent Company's share of the post-acquisition profits or losses of the investee in profit and loss, and Parent Company's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from Associate is recognized as reduction in the carrying amount of the investment. When the Parent Company's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Accounting policies of the equity investee are changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy described in note 2.9 below.

The Consolidated Financial Statements of the Parent Company include the results of its Associate Company, 'R. S. India Global Energy Limited', a company incorporated in India, in which the Parent Company is holding 48% of total equity capital.

2.3 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

(a) Initial recognition and measurement

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(b) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- c. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

(1) Financial assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

- Business Model Test: The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and
- Cash Flow Characteristics Test: Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the

estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade receivables, deposits with banks, security deposits, cash and cash equivalents, investments in associates and advances/loans to employee/others etc.

(2) Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- Cash Flow Characteristics Test: The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Profit and Loss. The Group as at the Statement of Financial Position date is not having any such instruments.

(3) Financial instruments measured at Fair Value Through Profit and Loss (FVTPL)

Fair Value through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e. gain or loss and interest income, if any, are recorded in Statement of Profit and Loss. The Group as at the Statement of Financial Position date is not having any such instruments.

(c) Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;
- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks, security deposits and advances/ loans to the employees/other etc.
- Financial assets that are debt instruments, and are measured at FVTOCI, the Group as at the Statement of Financial Position date is not having any such instruments.

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Statement of Financial Position date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Statement of Financial Position date, if not, they are classified under non-current assets. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating

an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

(d) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's Statement of Financial Position) when:

- a. The rights to receive cash flows from the asset have been expired/transferred, or
- b. The Group retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Group has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and other payables, net of directly attributable transaction costs. The Group's financial liabilities include borrowings, security deposits and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative

gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Borrowings & Security Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized in profit or loss over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Dther payables

Other payables are obligations incurred by the Group towards purchase of assets/equipment's/other items and availing the services that have been acquired or availed in the ordinary course of business. Other payables are classified under current liabilities, if payment is due within 12 months as at Statement of Financial Position date, if not, they are classified under non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Dffsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4 Property, Plant and Equipment

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial operations) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of leasehold improvements (fixtures / structure on the property taken on lease) is amortized over the period of lease.

Depreciation on property, plant & equipment is provided on a pro-rate basis on straight line basis in the case of Plant & Equipment i.e. Wind Mills and on a written down value basis in the case of other assets, over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The asset's residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and necessary adjustments are made accordingly, wherever required. The property, plant and equipment costing upto Rs. 5,000/- are fully depreciated during the year of addition.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.5 Foreign currency transactions and balances

Transactions in foreign currencies are initially recognised in the consolidated financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date. Non- monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date when the fair value was determined. Non- monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognised in the Statement of Profit and Loss for determination of net profit or loss during the period.

2.6 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Group capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

2.7 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, for a period of time in exchange for consideration even if that right is not explicitly specified in an arrangement.

The Group has taken certain assets on Operating Lease. Operating Lease is a contract, which conveys the right to Lessee, to control the use of an identified asset for a period of time, the lease term, in exchange for consideration. The Group assesses whether a contract is, or contains, a lease on inception.

The lease term is either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Group will extend the term, or a lease period in which it is reasonably certain that the Group will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

At commencement, or on the modification, of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is depreciated using straight-line / written down value method from the commencement date to the end of the lease term. If the lessor transfers ownership of the underlying asset to the Group by the end of the lease term or if the Group expects to exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as the Group's other property, plant and equipment. Right-of-use assets are reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the total lease payments due on the commencement date, discounted using either the interest rate implicit in the lease, if readily determinable, or more usually, an estimate of the Group's incremental borrowing rate on the inception date for a loan with similar terms to the lease. The incremental borrowing rate is estimated by obtaining interest rates from various external financing sources.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In accordance with Ind AS 116, the Group does not recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases i.e. leases with a lease term of 12 months or less and containing no purchase options. Payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.8 Revenue

- a. Group's revenues arising from sale of power generated from its Wind Mills, is recognised when the control is transferred to the beneficiary, which is generally on the transfer of power, on the rates and terms and conditions mutually agreed, the associated costs and the amount of revenue can be measured reliably and it is probable that the economic benefit associated with the transaction will flow to the Group. It is measured at fair value of the consideration received or receivable, after deduction of volume rebates etc.
- b. The Generation Based Incentive / Subsidy, from the Indian Renewable Energy Development Agency (IREDA), is recognised on the transfer of power at the rates as notified by the Government.
- c. Surcharge recoverable on late / non-payment of dues by customers is recognised when no significant uncertainty as to its collectability exists.

- d. Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.
- e. Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- f. Insurances claims are recognised to the extent the Group is reasonably certain of their ultimate receipt.
- g. Other income/revenue is recognized to the extent that it is probable that the economic benefit will flow to the Group and it can be reliably measured.

2.9 Impairment of non-financial assets

The Group assesses, at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous period/s. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of sell and value in use; and
- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

2.10 Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash on hand, cash at banks, demand deposits, short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.11 Statement of Cash Flows

For the purpose of Consolidated Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with an original maturity of three months or less and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12 Employee Benefits

a. Short Term Employee Benefits:

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, allowances and performance related pay etc., and the same are recognized in the period in which the employee renders the related services.

b. Defined contribution plan:

The Parent Company's approved provident fund scheme and pension fund scheme are defined contribution plans. The Parent Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

c. Defined Benefit Plan:

Gratuity Scheme and the Post-Retirement Medical Benefit are the Parent Company's defined benefit plans. The present value of the obligation under such defined benefit plans are determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

d. Other Long-Term Benefit

The liability towards encashment of the employees' long-term compensated absences, which are encashable during the service period and balance at the time of retirement / separation of the employees is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained

earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

2.13 Provisions and Contingent Liabilities

a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b) Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

2.14 Income Taxes

Tax expense for the year comprises of Current Tax and Deferred Tax.

a. Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recoverable from the taxation authorities in accordance with the tax regime inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961, and the Income Computation and Disclosure Standards (ICDS) enacted in India, by using tax rates and the tax laws that are enacted at the reporting date.

b. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable

that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.15 Earnings per share (EPS)

Basic earnings per share is calculated by dividing net profit / loss of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in the resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

3. PROPERTY, PLANT & EQUIPMENT (As at 31st March, 2020)											
(Amount in ₹ Lakhs)											
S. No.	Particulars	Gross carrying amount				Depreciation				Net carrying amount	
		As at 01.04.2019	Additions during the year	Sales/Disposal/ Adjustments	As at 31.03.2020	As at 01.04.2019	For the year	Sales/Disposal/ Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
1	Land - Freehold (Refer Note 3.1)	1,857.90	-	-	1,857.90	-	-	-	-	1,857.90	1,857.90
2	Leasehold Improvements	17.60	-	-	17.60	17.60	-	-	17.60	-	-
3	Plant & Equipment - Wind Mills (Refer Note 3.1)	2,11,440.59	-	-	2,11,440.59	19,984.27	9,123.42	-	29,107.69	1,82,332.90	1,91,456.32
4	Office Equipments	3.94	0.25	(0.10)	4.09	1.91	1.14	(0.07)	2.98	1.11	2.03
5	Furniture & Fixtures	4.17	-	-	4.17	2.58	0.41	-	2.99	1.18	1.59
6	Computers	7.98	2.94	-	10.92	5.61	2.48	-	8.09	2.83	2.37
	TOTAL	2,13,332.18	3.19	(0.10)	2,13,335.27	20,011.97	9,127.45	(0.07)	29,139.35	1,84,195.92	1,93,320.21
PROPERTY, PLANT & EQUIPMENT (As at 31st March, 2019)											
(Amount in ₹ Lakhs)											
S. No.	Particulars	Gross carrying amount				Depreciation				Net carrying amount	
		As at 01.04.2018	Additions during the year	Sales/Disposal/ Adjustments	As at 31.03.2019	As at 01.04.2018	For the year	Sales/Disposal/ Adjustments	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
1	Land - Freehold (Refer Note 3.1)	1,849.64	8.26	-	1,857.90	-	-	-	-	1,857.90	1,849.64
2	Leasehold Improvements	17.60	-	-	17.60	12.61	4.99	-	17.60	-	4.99
3	Plant & Equipment - Wind Mills (Refer Note 3.1)	2,11,440.59	-	-	2,11,440.59	10,860.85	9,123.42	-	19,984.27	1,91,456.32	2,00,579.74
4	Office Equipments	3.04	1.85	(0.95)	3.94	1.81	0.73	(0.63)	1.91	2.03	1.23
5	Furniture & Fixtures	4.17	-	-	4.17	2.03	0.55	-	2.58	1.59	2.14
6	Computers	7.28	1.13	(0.43)	7.98	2.88	3.10	(0.37)	5.61	2.37	4.40
	TOTAL	2,13,322.32	11.24	(1.38)	2,13,332.18	10,880.18	9,132.79	(1.00)	20,011.97	1,93,320.21	2,02,442.14
3.1 Pledged as collateral security against the borrowings from banks (Refer Note 29.7.b)											

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

(Amount in ₹ Lakhs)

NOTE - 4 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

(valued at cost, unless stated otherwise)

In Equity Instruments of Associate Company - unquoted - fully paid up

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	Amount	Nos.	Amount
R. S. India Global Energy Limited	29.13 & 29.14	2,34,02,542	-	2,34,02,542
Total Investment		-		-
Aggregate amount of unquoted investments		-		-
Aggregate amount of impairment in value of investments		-		-

4.1 Name of the Company and Country of Incorporation	Principal Activities	Proportion (%) of Shareholding	
		As at 31st March, 2020	As at 31st March, 2019
R S India Global Energy Limited	Primarily in wind energy sector; however non-operational since long	48	48

4.2 The summarised financial information as required by Ind AS 112 - 'Disclosure of Interests in Other Entities' is not disclosed as the financial statements of the associate company are not available with the Parent Company.

NOTE - 5 OTHER NON-CURRENT FINANCIAL ASSETS

(unsecured, considered good)

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Term deposits with Banks having original maturity more than 12 months	5.1 0.25	0.25
Interest accrued on term deposits	0.08	0.06
Entry tax recoverable	34.40	34.40
Total other non-current financial assets	34.73	34.71

5.1 Pledged with statutory authorities.

NOTE - 6 NON-CURRENT TAX ASSETS (NET)

(Amount in ₹ Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
Advance income tax (Net of provisions)	1,009.12	553.81
Total non-current tax assets (net)	1,009.12	553.81

NOTE - 7 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
Prepaid rent	1,248.09	1,295.59
Total other non-current assets	1,248.09	1,295.59

NOTE - 8 TRADE RECEIVABLES

(unsecured, considered good unless stated otherwise)

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Receivables against sale of electricity	8.1 20,985.97	17,612.30
Receivables against Generation based incentive	8.1 916.00	765.36
Total trade receivables	21,901.97	18,377.66

8.1 As per the management, the trade receivables are fully recoverable in the ordinary course of business, and presently there is no need for any provision towards their recoverability. Also refer Note 29.16 in respect of the receivables from certain parties.

8.2 The surcharge recoverable on late / non-payment of dues by customers has been recognised to the extent, there is no significant uncertainty as to its collectability, in accordance with the Accounting Policy No. 2.7.c.

8.3 Hypothecated against the borrowings from respective bank (Refer Note 29.7.b)

8.4 Refer Note 29.10 for information about credit and market risk of trade receivables.

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

(Amount in ₹ Lakhs)

NOTE - 9 CASH AND CASH EQUIVALENTS

	Note No.	As at 31st March, 2020	As at 31st March, 2019
Balance with banks			
i) in current accounts			
- held as TRA with lender banks	9.1	249.33	612.62
- others		94.27	114.34
ii) in term deposits with original maturity upto 3 months	9.1	579.19	726.96
Total cash and cash equivalents		922.79	1,413.19

9.1 Hypothecated against the borrowings from respective bank (Refer Note 29.7.b)

(Amount in ₹ Lakhs)

NOTE - 10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	Note No.	As at 31st March, 2020	As at 31st March, 2019
Term deposits with banks			
- with original maturity more than 3 but less than 12 months		1,349.88	247.22
- held under lien		334.10	22.78
- held under Debt Service Reserve Account (DSRA)	10.1	7,482.93	5,804.41
Total bank balances other than cash and cash equivalents		9,166.91	6,074.41

10.1 Hypothecated against the borrowings from respective bank (Refer Note 29.7.b)

(Amount in ₹ Lakhs)

NOTE - 11 LOANS

(unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	4.50	7.25
Loan/Advance to Employee	0.70	0.03
Total loans	5.20	7.28

(Amount in ₹ Lakhs)

NOTE - 12 OTHER CURRENT FINANCIAL ASSETS

(unsecured, considered good)

	Note No.	As at 31st March, 2020	As at 31st March, 2019
Interest accrued on Term Deposits		68.94	71.67
Insurance claim Receivable	25.1	459.27	15.89
Accrued unbilled revenue for sale of electricity		1,648.15	1,622.10
Accrued unbilled revenue for GBI		164.79	165.18
Other receivables		169.40	15.73
Total other current financial assets		2,510.55	1,890.57

(Amount in ₹ Lakhs)

NOTE - 13 OTHER CURRENT ASSETS

	As at 31st March, 2020	As at 31st March, 2019
Prepaid rent	47.50	47.50
Prepaid expenses	437.28	125.58
Total other current assets	484.78	173.08

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

		(Amount in ₹ Lakhs)	
		As at 31st March, 2020	As at 31st March, 2019
		Nos.	Amount
NOTE - 14 EQUITY SHARE CAPITAL			
Authorised:			
Equity Shares of ₹ 10/- each		1,50,00,00,000	1,50,000.00
		1,50,00,00,000	1,50,000.00
Issued, subscribed and fully paid up:			
Equity Shares of ₹ 10/- each		65,41,17,494	65,411.75
		65,41,17,494	65,411.75

14.1 Rights, Preference and Restrictions attached to equity shares:

The Parent Company has only one class of equity shares having par value of Rs. 10/- per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The equity shareholders are entitled to dividend rights according to their paid up portion of the share capital. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

14.2 Reconciliation of the number of shares outstanding:

		(Amount in ₹ Lakhs)	
		As at 31st March, 2020	As at 31st March, 2019
Particulars		Nos.	Amount
At the beginning of the year		65,41,17,494	65,411.75
At the end of the year		65,41,17,494	65,411.75

14.3 Shares held by Ultimate Holding Company:

		(Amount in ₹ Lakhs)	
		As at 31st March, 2020	As at 31st March, 2019
Particulars		Nos.	Amount
PTC India Limited		65,41,17,494	65,411.75
Total		65,41,17,494	65,411.75

14.4 Details of Shareholders holding more than 5% shares:

		(Amount in ₹ Lakhs)	
		As at 31st March, 2020	As at 31st March, 2019
Name of the Shareholder		Nos.	Percentage of Shareholding
PTC India Limited*		65,41,17,494	100.00
Total		65,41,17,494	100.00

* Includes six equity shares held in the name of its six nominees, holding 1 share each.

		(Amount in ₹ Lakhs)	
		As at 31st March, 2020	As at 31st March, 2019
NOTE - 15 OTHER EQUITY			
Reserves and Surplus			
a. Retained Earnings	15.1		
As per last account		4,561.66	(600.58)
Add: Profit for the year		938.51	5,162.24
		5,500.17	4,561.66
Other items of Other Comprehensive Income	15.2		
a. Remeasurement of defined benefit plans (net of tax)			
As per last account		(1.50)	(0.19)
Add: Loss for the year		(1.53)	(1.31)
		(3.03)	(1.50)
Total other equity		5,497.14	4,560.16

15.1 The profit / loss earned till date, less any transfers to general reserve, dividends or other distribution paid to the shareholders, if any.

15.2 The other comprehensive income/(loss) till date, which is available for set off or adjustable only against such income/loss in future.

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

NOTE - 16 BORROWINGS		(Amount in ₹ Lakhs)			
		As at 31st March, 2020		As at 31st March, 2019	
		Current	Non Current	Current	Non Current
Secured					
Term loans from:					
- Banks	16.1	7,015.45	83,057.98	6,806.50	89,655.46
- Others	16.2	5,341.68	45,868.89	3,080.10	43,604.16
Total		12,357.13	1,28,926.87	9,886.60	1,33,259.62
Less: Amount disclosed under the head "Other current financial liabilities"	20	12,357.13	-	9,886.60	-
Total borrowings		-	1,28,926.87	-	1,33,259.62

16.1 Term loans from Banks:

16.1.i Term loans from Banks Comprises of:

6.1.i Term loans from Banks Comprises of:

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Non Current	Current	Non Current	Current
a. 30 MW Gamesa Project at Jaora, Madhya Pradesh				
- ICICI Bank Limited	16.1.1	4,826.66	500.00	5,317.52
- State Bank of India	16.1.2	1,927.48	193.92	2,108.31
b. 50 MW Gamesa Project at Molagavalli, Andhra Pradesh				
- Bank of India	16.1.3	5,630.36	603.77	6,231.76
- ICICI Bank Limited	16.1.4	7,823.31	785.31	8,607.43
- Oriental Bank of Commerce	16.1.5	5,035.67	566.00	5,596.97
c. 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh				
- Bank of India	16.1.6	3,324.54	377.36	3,698.94
- ICICI Bank Limited	16.1.7	5,801.98	583.12	6,380.53
- South Indian Bank Limited	16.1.8	7,512.55	754.72	8,261.85
d. 49.5 MW ReGen Project at Devenkonda, Andhra Pradesh				
- State Bank of India	16.1.9	21,356.73	1,165.00	22,517.24
e. 50 MW Gamesa Project at Bableshwar, Karnataka				
- Canara Bank	16.1.10	4,304.46	336.00	3,566.01
- Central Bank of India	16.1.11	4,366.64	336.00	4,634.60
- IndusInd Bank Limited	16.1.12	4,349.64	332.52	5,388.25
f. 40 MW Inox Project at Payalakuntla, Andhra Pradesh				
- South Indian Bank Limited	16.1.13	3,847.42	280.00	4,167.20
- IndusInd Bank Limited	16.1.14	2,950.54	201.73	3,178.85
Total		83,057.98	7,015.45	89,655.46
				6,806.50

16.1.ii Terms of Repayment:

	Effective interest rate per annum	Repayable (Total No. of Quarterly instalments)	Amount of Installment (in ₹ Lakhs) facility denotes the number of instalments from time to time)	Installments due as at 31st March, 2020	Last installment due on
a. 30 MW Gamesa Project at Jaora, Madhya Pradesh					
- ICICI Bank Limited	10.33%	56	125.00	43	December, 2030
- State Bank of India	10.54%	56	48.48	44	March, 2031
b. 50 MW Gamesa Project at Molagavalli, Andhra Pradesh					
- Bank of India	9.92%	53	150.94	44	March, 2031
- ICICI Bank Limited - 1	9.88%	53	102.92	44	March, 2031
- ICICI Bank Limited - 2	9.88%	53	93.41	44	March, 2031
- Oriental Bank of Commerce	9.92%	53	141.50	44	March, 2031

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

Effective interest rate per annum	Repayable (Total No. of Quarterly instalments)	Amount of Installment (in ₹ Lakhs) (facility denotes the disbursement amount from time to time)	Installments due as at 31st March, 2020	Last installment due on
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c. 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh

- Bank of India	9.92%	53	94.34	44	March, 2031
- ICICI Bank Limited	9.91%	53	145.78	44	March, 2031
- South Indian Bank Limited	9.90%	53	188.68	44	March, 2031

d. 49.5 MW ReGen Project at Devenkonda, Andhra Pradesh

- State Bank of India	9.77%	58 Quarterly	Structured installments	50	September, 2032
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e. 50 MW Gamesa Project at Bableshtar, Karnataka

Canara Bank	10.14%	2 Quarterly	1.25% of the facility	45	June, 2031
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		
		8 Quarterly	2.00% of the facility		
		8 Quarterly	2.25% of the facility		
Central Bank	10.10%	5 Quarterly	2.30% of the facility	45	June, 2031
		2 Quarterly	1.25% of the facility		
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		
		8 Quarterly	2.00% of the facility		
IndusInd Bank Limited	9.43%	8 Quarterly	2.25% of the facility	45	June, 2031
		5 Quarterly	2.23% of the facility		
		2 Quarterly	1.25% of the facility		
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		

f. 40 MW Inox Project at Payalakuntla, Andhra Pradesh

South Indian Bank Limited	10.31%	12 Quarterly	1.40% of the facility	47	December, 2031
		4 Quarterly	1.50% of the facility		
		4 Quarterly	1.60% of the facility		
		4 Quarterly	1.70% of the facility		
		4 Quarterly	1.80% of the facility		
		12 Quarterly	2.00% of the facility		
		8 Quarterly	2.10% of the facility		
		1 Quarterly	2.26% of the facility		
		2 Quarterly	2.27% of the facility		
		4 Quarterly	2.30% of the facility		
IndusInd Bank Limited	10.18%	12 Quarterly	1.40% of the facility	47	December, 2031
		4 Quarterly	1.50% of the facility		
		4 Quarterly	1.60% of the facility		
		4 Quarterly	1.70% of the facility		
		4 Quarterly	1.80% of the facility		
		12 Quarterly	2.00% of the facility		
		8 Quarterly	2.10% of the facility		
		1 Quarterly	2.26% of the facility		
		2 Quarterly	2.27% of the facility		
		4 Quarterly	2.30% of the facility		

16.1.iii The terms of repayment, as detailed in 'para - 16.1.ii' above are based on the total amounts of limits sanctioned, and the detail as mentioned in 'para- 16.1.i' above are based on the actual disbursements made so far.

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

Securities of the term loans are given as below:

16.1.1 ICICI Bank Limited (30 MW in Jaora, Ratlam District, Madhya Pradesh)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project (present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to The Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.

Above mentioned security to be shared on pari-passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower to the extent approved by lenders.

16.1.2 State Bank of India (30 MW in Jaora, Ratlam District, Madhya Pradesh)

Primary Security: The TL Facility, together with interest, liquidated damages, costs and whatsoever payable to the Lenders and their trustees shall be secured inter alia by:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
- b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First Charge by way of hypothecation on all current assets of project (present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
- e) In relation to the Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.

The above mentioned security shall rank pari-passu basis with the Lenders of the RTL facility.

16.1.3 Bank of India (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (d) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

16.1.4 ICICI Bank Limited (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

16.1.5 Oriental Bank of Commerce (50 MW, Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- e) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- f) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

16.1.6 Bank of India (49.3 MW, Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

16.1.7 ICICI Bank Limited (49.3 MW, Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

16.1.8 South Indian Bank Limited (49.3 MW, Kandimallayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

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Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

16.1.9 State Bank of India (49.5 MW, Devenkonda)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future, except common facilities;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of security interest of all the Borrower's project rights and rights pertaining to the common facilities (including Right of Way, if any, for transmission line up to the delivery point for electricity, access roads, evacuation rights), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee (including advance bank guarantees received from EPC Contractor to the extent permissible by law) and insurance policies issued in favour of the Borrower, specific to the Project.

16.1.10 Canara Bank (50 MW, Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge overall immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower,

16.1.11 Central Bank of India (50 MW in Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.1.12 Indusind Bank Limited (50 MW in Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

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16.1.13 South Indian Bank Limited (40MW in Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.1.14 Indusind Bank Limited (40 MW in Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower,

16.2.1 Rural Electrification Corporation Limited (20 MW in Nipaniya, Mandsaur District, Madhya Pradesh)

The entire Rupee Term Loan together with interest, costs, expenses and all other monies whatsoever accruing out of the Loan Agreement are secured in the form and manner as under REC.

- a) By Mortgage: Exclusive first charge by way of mortgage of all immovable assets pertaining to the project (20MW wind in Nipaniya).
AND
- b) By Hypothecation: First Charge by way of hypothecation of all the Borrower's movable properties, including plant and machinery spare, equipment, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, created/ to be created in the project (20 MW Wind in Nipaniya) (and also first charge by way of hypothecation/assignment of all the book debts, bills, receivables, monies including bank accounts, claims of all kinds and stocks including consumables and other general stores, arising out of the project. Only book debts, bills, receivables and stocks excluding stores relating to plant and machinery shall be subject to the first charge in favour of Working Capital Lenders and second charge in favour of REC.
AND
- c) By Assignment: A first charge by way of assignment or creation of security interest including all rights, title, interest, benefits, claims and demands whatsoever of the project-
 - a) in the Project documents/Contracts, as amended, varied or supplemented from time to time;
 - b) in the Clearances relating to the project (Investor approval etc) and
 - c) all insurance Contracts/Insurance Proceeds;

16.2.2 PTC India Financial Services Limited (30 MW in Jaora, Madhya Pradesh)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured inter-alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower in relation to the project, by way of mortgage;
 - b) First Charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
 - c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
 - d) First Charge by way of hypothecation on all current assets of project(present and future) including but not limited to book debt, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising;
 - e) In relation to The Project all bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention Accounts.
- Above mentioned security to be shared on pari-passu basis with LC and BG facility availed/ to be availed by the Borrower.

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Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

16.2.3 TATA Cleantech (40 MW Payalakuntla)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.2.4 India Infrastructure Finance Company Limited (49.3 MW Kandimalayapalli)

1.) The Facility together with all interest, liquidated damages, processing fee, premia on prepayment, costs, charges, expenses and other monies whatsoever stipulated in or payable under the Facility Agreement are secured in favour of the Lender/Security Trustee ranking on first charge basis by way of :

- a) Mortgage over the entire immovable properties of the Borrower in relation to the Project;
- b) Hypothecation over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- d) Hypothecation on operating cash- flows and receivables of the Project (present and future);
- e) Negative lien on all current assets of the Borrower (present and future) excluding operating cash- flows and receivables;
- f) Hypothecation of Project accounts including but not limited to Trust and Retention account and Debt Service Reserve Account (DSRA).

2.) The Security to be created shall rank pari passu by way of first charge with senior debt/LC/LUT and BG facility availed/to be availed by the Borrower to the extent approved by the lenders.

16.2.5 India Infrastructure Finance Company Limited (50 MW Molagavalli)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured in favour of the Lender/security trustee inter alia by a first ranking mortgage/ hypothecation/ assignment/ security interest/ charge, including but without limitation upon:

- a) First charge over the entire immovable properties of the Borrower located in Kurnool, Andhra Pradesh in relation to the Project;
- b) First charge over all the movable property, plant and equipment including but not limited to plant & machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation;
- c) Assignment overall or any of the rights under the Project Documents including Power Purchase agreements, documents, insurance policies relating to the power plant, rights, titles, permits / approvals, clearances and all benefits incidental thereto of the "Project" except to the extent not permitted by government authorities / law;
- e) First charge by way of hypothecation on operating cash-flows and receivables of the Project (present and future);
- f) Negative lien on all other current assets of the Borrower (present and future) excluding operating cash-flows and receivables;
- g) In relation to the Project, all the bank accounts including but not limited to the Debt Service Reserve Account (DSRA) and Trust & Retention accounts.

Above mentioned Security except (e) to be shared on pari passu basis with senior debt/ LC/LUT and BG facility availed/ to be availed by the Borrower for the Project to the extent approved by lenders.

16.2.6 Aditya Birla Finance Limited (50 MW, Bableshtar)

The Security for the lending shall inter-alia, include:

- a) First charge over all immovable properties/ assets of Project, both present and future;
- b) First charge by way of hypothecation of all present and future movable assets of the Project including but not limited to plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc;
- c) First charge on the borrower's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future specific to the Project;
- d) First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future of the borrower specific to the Project;
- e) First charge on all accounts of the borrower including but not limited to Escrow Account/ Trust & Retention account (TRA) and Debt Service Reserve Account (DSRA), specific to the Project;
- f) Hypothecation charge/assignment of interest of all the Borrower's project rights (including Right of Way, if any, for transmission line up to the delivery point for electricity), titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies issued in favour of the Borrower, specific to the Project.

16.2.7 PTC India Financial Services Limited (Medium Term Loan)

The Facilities, interest thereon and all other amounts outstanding in respect thereof are secured inter alia by way of mortgage/ hypothecation/ charge/ assignment of below securities:

- a) Priority charge over the receivable of the Company from the sale of power from wind power projects, cashflows/repayment from the monetisation/ sale / divestment of PEL assets to the extent of Rs. 100 crores.
- b) First charge on Interest Service Reserve Account (ISRA) for the entire sanction limit of PFS.
- c) Demand Promissory Note of entire loan amount in favour of PFS.

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Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

16.2 Term loans from Others:

16.2.i Term loans from Others Comprises of:

Note No.	As at 31st March, 2020		As at 31st March, 2019	
	Non Current	Current	Non Current	Current
16.2.1	5,849.77	587.79	6,433.21	587.79
16.2.2	5,041.92	523.03	5,564.76	523.03
16.2.3	7,997.87	543.78	8,580.32	543.78
16.2.4	5,955.01	267.00	6,213.48	267.00
16.2.5	2,968.75	190.34	3,156.44	190.34
16.2.6	12,857.16	979.74	13,655.95	968.16
16.2.7	5,198.41	2,250.00	-	-
	45,868.89	5,341.68	43,604.16	3,080.10

16.2.ii Terms of Repayment:

	Effective interest rate per annum	Repayable (Total No. of instalments)	Amount of Installment (in ₹ Lakhs) (facility denotes the disbursement amount from time to time)	Installments due as at 31st March, 2020	Last installment due on
a. 20 MW Inox Project at Nipaniya, Madhya Pradesh Rural Electrification Corporation Limited (20 MW Project at Nipaniya, Madhya Pradesh)	10.61%	56 (Quarterly)	146.95	44	March, 2031
b. 30 MW Gamesa Project at Jaora, Madhya Pradesh PTC India Financial Services Limited	10.27%	56 (Quarterly)	130.76	43	December, 2030
c. 40 MW Inox Project at Payalakuntla, Madhya Pradesh Tata Cleantech Capital Limited	10.66%	12 Quarterly 4 Quarterly 4 Quarterly 4 Quarterly 4 Quarterly 12 Quarterly 8 Quarterly 1 Quarterly 2 Quarterly 4 Quarterly	1.40% of the facility 1.50% of the facility 1.60% of the facility 1.70% of the facility 1.80% of the facility 2.00% of the facility 2.10% of the facility 2.26% of the facility 2.27% of the facility 2.30% of the facility	47	December, 2031
d. 49.3 MW GE Project at Kandimallayapalli, Andhra Pradesh India Infrastructure Finance Company Limited	9.90%	30 Quarterly 6 Quarterly 1 Quarterly 11 Quarterly 1 Quarterly 4 Quarterly 8 Quarterly	0.89% of the facility 1.00% of the facility 1.87% of the facility 1.89% of the facility 2.00% of the facility 2.89% of the facility 3.89% of the facility	51	December, 2032
e. 50 MW Gamesa Project at Molagavalli, Andhra Pradesh India Infrastructure Finance Company Limited	9.95%	30 Quarterly 11 Quarterly 6 Quarterly 1 Quarterly 1 Quarterly 4 Quarterly 8 Quarterly	0.89% of the facility 1.89% of the facility 1.00% of the facility 1.83% of the facility 2.00% of the facility 2.89% of the facility 3.89% of the facility	52	March, 2033

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Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

f. 50 MW Gamesa Project at Bableshwar, Karnataka

Aditya Birla Finance Limited	9.40%	2 Quarterly	1.25% of the facility	45	June, 2031
		16 Quarterly	1.50% of the facility		
		16 Quarterly	1.75% of the facility		
		8 Quarterly	2.00% of the facility		
		8 Quarterly	2.25% of the facility		
		5 Quarterly	2.30% of the facility		

g. Medium Term Loan

PTC India Financial Services Limited	13.11%	End of 15th Month	10% of the facility	4	September, 2021
		End of 18th Month	20% of the facility		
		End of 21st Month	30% of the facility		
		End of 24th Month	40% of the facility		

16.2.iii The terms of repayment, as detailed in 'para - 16.2.ii' above are based on the total amounts of limits sanctioned, and the detail as mentioned in 'para- 16.2.i' above are based on the actual disbursements made so far.

NOTE - 17 PROVISIONS

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits		
- Gratuity	26.69	19.31
- Leave Encashment	36.91	22.31
- Post Retirement Medical Benefit	0.91	0.63
Total provisions	64.51	42.25

NOTE - 18 INCOME TAXES

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
(a) Deferred tax assets/(liabilities) relates to the following:		
Deferred Tax Liabilities		
- Property, Plant and Equipment	7,503.70	3,773.06
Deferred Tax Assets		
- Employee benefits expense	(16.57)	(12.62)
- Unabsorbed depreciation carried forward	(3,448.76)	-
- MAT credit entitlement	-	(1,595.81)
Net Deferred Tax Liabilities recognised	4,038.37	2,164.63

(b) Movement in temporary differences during current and previous year:

Particulars	Property, Plant and Equipment	Unabsorbed depreciation carried forward	Employee benefits expense	MAT credit entitlement	Total
Balance as on 01.04.2018	(1,547.38)	-	9.42	-	(1,537.96)
(Charged)/Credited to Profit or Loss	(2,225.68)	-	2.66	1,595.81	(627.21)
Credited to Other Comprehensive Income	-	-	0.54	-	0.54
Balance as on 31.03.2019	(3,773.06)	-	12.62	1,595.81	(2,164.63)
Balance as on 01.04.2019	(3,773.06)	-	12.62	1,595.81	(2,164.63)
(Charged)/Credited to Profit or Loss	(3,730.64)	3,448.76	3.43	(1,595.81)	(1,874.26)
Credited to Other Comprehensive Income	-	-	0.52	-	0.52
Balance as on 31.03.2020	(7,503.70)	3,448.76	16.57	-	(4,038.37)

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Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars		As at 31.03.2020	As at 31.03.2019
Accounting profit before tax expense		2,815.42	7,408.56
Enacted tax rates in India	18.1	25.17%	29.12%
Taxed at India's statutory income tax rate		708.58	2,157.37
Tax Effect of:			
Non- deductible expense		5.17	4.88
Non- taxable incomes			(10.63)
Expense disallowed earlier now allowed as per Income Tax Act, 1961		(0.04)	(0.75)
Impact of depreciation as per Income Tax Act, 1961		(1,812.32)	(2,094.95)
Impact of allowance of finance costs as per Income Tax Act, 1961		(33.72)	(32.28)
Carryforward of income tax losses for the current year		1,132.33	-
MAT credit write-off/(entitlement)		1,595.81	(1,595.81)
Deferred tax impact	18.1	278.45	2,222.68
Tax expense as per Normal Provisions of Income Tax Act, 1961		1,874.26	650.51
Tax as per MAT provision u/s 115JB of the Income Tax Act, 1961		-	1,595.81
Current Tax - Earlier Year/s		2.65	-
Income tax expense recognised in Consolidated Statement of Profit and Loss		1,876.91	2,246.32

18.1 The Parent Company from the current financial year (Assessment Year: 2020-21) has opted for new tax regime as inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961, and as under the said tax regime no claim / set off, of any brought forward MAT credit is allowed, therefore the MAT credit / entitlement of Rs. 1,595.81 lakhs pending for claim / set off has been written off and recognised as expense during the year. Further, the deferred tax assets / liabilities have also been re-measured at the tax rates in accordance with the said tax regime.

NOTE - 19 BORROWINGS

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Secured		
Working Capital Demand Loan	19.1	600.00
Line of Credit/Short Term Loan	19.2	1,200.00
Unsecured		
Line of Credit/Short Term Loan	19.3	-
		2,810.00
	1,800.00	5,810.00

19.1 Loan from Federal Bank is secured by Post Dated Cheques.

19.2 Loan from ICICI Bank is secured by Second Charge over all the movable assets including but not limited to plant and machinery, machinery spares, tools, spares and accessories by way of hypothecation of their respective projects.

19.3 Unsecured Loan from Vijaya Bank.

NOTE - 20 OTHER CURRENT FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

Note No.	As at 31st March, 2020	As at 31st March, 2019
Current Maturities of Borrowings	16	12,357.13
Interest accrued		15.36
Creditors for assets		1,514.53
Accrued expenses		1,735.34
Payable to employees		36.58
Total other current financial liabilities		15,658.94
		11,836.62

20.1 There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as on 31st March, 2020 / 31st March, 2019.

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

NOTE - 21 OTHER CURRENT LIABILITIES	(Amount in ₹ Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Statutory liabilities	81.15	54.39
Total other current liabilities	81.15	54.39

NOTE - 22 PROVISIONS	Note No.	(Amount in ₹ Lakhs)	
		As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits	29.5		
- Gratuity		0.36	0.30
- Leave Encashment		0.96	0.78
- Post Retirement Medical Benefit		0.01	0.01
Total provisions		1.33	1.09

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

		(Amount in ₹ Lakhs)	
NOTE - 23 REVENUE FROM OPERATIONS	Note No.	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Sale of products			
- Sale of power generated from Wind Mills		27,526.29	30,027.91
Other operating revenue			
- Generation based incentive	23.1	2,800.41	3,068.97
- Recoveries of revenue loss from Wind Mill Contractors		136.56	50.60
Total revenue from operations		30,463.26	33,147.48

23.1 Receivable from Indian Renewable Energy Development Agency (IREDA). Also Refer Accounting Policy No. 2.7.b.

		(Amount in ₹ Lakhs)	
NOTE - 24 OTHER INCOME		For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Interest Income on:			
- Term Deposits		560.15	471.61
- Financial assets at amortised cost at EIR		-	1.84
Other non-operating revenue			
- Rental Income on leasehold premises		-	50.89
- Profit on disposal of Property, plant and equipment (net)		-	0.01
- Liabilities/provisions written back		3.65	2.32
- Insurance Claim		-	29.18
Total other income		563.80	555.85

		(Amount in ₹ Lakhs)	
NOTE - 25 DIRECT EXPENSES	Note No.	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Electricity Charges		351.57	244.45
Inspection Charges - CEIG		10.43	10.43
Rent on Project Lands	29.3	47.50	47.50
Repair & Maintenance - Wind Mill	25.1	110.00	17.18
Operation and Maintenance - Wind Mill		1,671.27	260.31
Other miscellaneous expenses		0.24	1.29
Total direct expenses		2,191.01	581.16

25.1 Net of insurance claim of Rs. 609.27 lakhs (Rs. 150.00 lakhs already received and Rs. 459.27 lakhs receivable as at 31st March, 2020) against the total expenses of Rs. 719.27 lakhs during the current year.

		(Amount in ₹ Lakhs)	
NOTE - 26 EMPLOYEE BENEFITS EXPENSE	Note No.	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Salaries, wages, bonus, gratuity, leave encashment, allowances etc.	29.5	286.92	257.31
Contribution to provident and other funds etc.	29.5.c	19.99	16.75
Staff welfare expenses		7.79	13.39
Total employee benefits expense		314.70	287.45

PTC ENERGY LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

		(Amount in ₹ Lakhs)	
NOTE - 27 FINANCE COSTS		For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Interest expense on:			
- Term loans		14,999.98	15,499.88
- Working capital loans		992.39	15,638.71
Other finance costs		3.32	2.53
Other borrowing costs		97.94	151.18
Total finance costs		16,093.63	15,792.42

		(Amount in ₹ Lakhs)	
NOTE - 28 OTHER EXPENSES		For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
Rent	29.3	64.01	121.94
Legal & professional charges		209.35	143.30
Insurance		98.82	86.97
Rates and Taxes		2.74	20.05
Travelling and conveyance expenses		19.97	24.25
Repairs & Maintenance- Building		6.03	13.95
Bank charges		4.14	17.04
Directors' Sitting Fee		26.90	26.90
Security Expenses		-	7.25
Business development		1.13	2.54
Electricity Expense		0.32	2.15
Communication Expenses		1.72	1.77
CSR Expenditure	29.4	-	5.98
Payments to the auditors:			
- Statutory Audit Fee		2.95	2.65
- Limited Review Fee		2.66	0.89
- Tax Audit / GST Audit Fee		1.46	0.77
- Certification work		1.71	2.41
- Out of pocket expenses		1.13	6.97
Other receivables written off (net of recovery)		11.37	-
Assets written off		0.03	0.26
Other miscellaneous expenses		28.41	19.63
Total other expenses		484.85	500.95

PTC ENERGY LIMITED

NOTE – 29: OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31stMARCH, 2020

29.1 Contingent Liabilities:

Tax demand of Rs. 38.64 lakhs (Previous Year: Rs. 13.30 lakhs) raised by the Income Tax Department to the Parent Company has not been adjusted in the accounts, as the Parent Company has filed appeals against the said demands, which are pending with the appellate authority for final decision. The management and its advisers are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of this proceeding will not have any material adverse effect on the Group's financial position and results of operations. The Group does not expect any reimbursement in respect of this contingent liability, and it is not practicable to estimate the timing of cash outflows, if any, in respect of this matter, pending resolution of the appellant proceeding.

29.2 Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development Act, 2006:-

(Rs. in Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
i. Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act.		
- Principal	-	-
- Interest	-	-
ii. Amount of interest paid by the Parent Company in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv. The amount of interest accrued and remaining unpaid	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-

The above information regarding dues to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information collected with the Parent Company.

29.3 Leases

The Parent Company is having short-term leases i.e. leases with a lease term of 12 months or less and containing no purchase options. Payments associated with these leases of Rs. 64.01 lakhs (Previous year: Rs. 121.94 lakhs) have been recognised as expense on a straight-line basis over the lease term.

29.4 Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Parent Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The contributions towards CSR was on the activities which are specified in Schedule VII of the Companies Act, 2013. The detail of the amount spent during the year is as under:

(Rs. in Lakhs)				
		Amount spent during the current year ended 31 st March, 2020	Amount pending for spending as at 31 st March, 2020	Total Amount
-	Gross Amount lying pending for the earlier year as at 01.04.2019			-
-	Gross Amount required to be spent during the year			57.08
-	Amount spent during the year:			
	a. Construction/acquisition of any asset	-	-	-
	b. Contribution to Trusts / NGOs / Societies	-	-	-

29.5 Employee Benefits

(a) Defined Benefit plans:

Gratuity:

Payable on separation as per the Payment of Gratuity Act, 1972 as amended, @ 15 days pay, for each completed year of service to eligible employees who render continuous service of 5 years or more, subject to maximum limit of Rs. 20 lakhs.

Post-Retirement Medical Benefit:

The scheme under which, after completion of a continuous specified period of employment, the employees and their spouses are eligible for medical facilities after their retirement.

(b) Other Long-Term Benefit:

Employees of the Parent Company are entitled to accumulate their earned / privilege leave, which is payable / encashable as per the Parent Company's policy, while on service or on their separation. During the year, amount of Rs. 8.37 lakhs (Previous Year: Rs. 6.41 lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds.

(c) Defined Contribution plan:

The Parent Company's approved Provident Fund and National Pension Scheme are the defined contribution plans. The Parent Company has no obligation, other than the contribution paid/payable under such schemes. During the year, amount of Rs. 19.99 lakhs (Previous Year: Rs. 16.75 lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds as under:

Particulars	Year ended 31 st March, 2020 (Rs. In lakhs)	Year ended 31 st March, 2019 (Rs. In lakhs)
Employer's contribution towards Provident Fund	12.54	11.59
Employer's contribution towards National Pension Scheme	7.45	5.16

(d) Other disclosures of Defined Benefit plans are as under:

i) Reconciliation of the opening and closing balances of Defined Benefit Obligations:

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Present Value of Defined Benefit Obligation at the beginning of year	19.61	13.16	0.64	0.40
Acquisition Adjustment (Liability paid to PTC India Limited)	(0.79)	(0.54)	-	-
Interest cost	1.50	1.02	0.05	0.03
Current Service Cost	4.70	4.14	0.21	0.19
Actuarial Loss on arising from Change in Demographic Assumption	0.01	-	0.01	-
Actuarial Loss arising from Change in Financial Assumptions	1.26	1.78	0.05	0.02
Actuarial (Gain) / Loss arising from Changes in Experience Adjustments	0.76	0.05	(0.04)	-
Present value of the Defined Benefit Obligation at the end of year	27.05	19.61	0.92	0.64

ii) **Net Defined Benefit recognized in the Statement of Profit and Loss.**

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Current Service Cost	4.70	4.14	0.21	0.19
Interest cost	1.50	1.02	0.05	0.03
Net Defined Benefit recognized in Statement of Profit and Loss	6.20	5.16	0.26	0.22

iii) **Recognized in Other Comprehensive Income.**

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Actuarial Loss on arising from Change in Demographic Assumption	0.01	-	0.01	-
Actuarial Loss on arising from Change in Financial Assumption	1.26	1.78	0.05	0.02
Actuarial (Gain)/Loss on arising from Changes in Experience Adjustments	0.76	0.05	(0.04)	-
Net actuarial Loss	2.03	1.83	0.02	0.02

iv. **Sensitivity Analysis***

a) **Impact of the change in the discount rate**

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Present value of the Defined Benefit Obligation at the end of year	27.05	19.61	0.92	0.64
a) Impact due to increase of 0.50%	(1.57)	(1.13)	(0.34)	(0.24)
b) Impact due to decrease of 0.50%	1.73	1.25	0.35	0.25

b) Impact of the change in the salary increase

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Present value of the Defined Benefit Obligation at the end of year	27.05	19.61	0.92	0.64
a) Impact due to increase of 0.50%	1.70	1.23	(0.34)	(0.24)
b) Impact due to decrease of 0.50%	(1.55)	(1.13)	0.35	0.25

*Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

* Sensitivities as to rate of increase of pension in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

v. Maturity Profile.

(Rs. in Lakhs)

Year	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
0 to 1 year	0.36	0.30	-	-
1 to 2 Year	1.41	0.19	-	-
2 to 3 Year	0.54	0.36	-	-
3 to 4 Year	9.51	0.39	-	-
4 to 5 Year	0.33	0.96	0.01	0.60
5 to 6 Year	0.33	6.66	-	-
6 Year onwards	14.57	10.75	0.91	0.04

vi. Expected contribution for the next Annual reporting period

(Rs. in Lakhs)

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Service Cost	5.18	4.59	0.23	0.21
Net Interest Cost	1.83	1.50	0.06	0.05
Expected Expense for the next annual reporting period	7.01	6.09	0.29	0.26

vii) Actuarial Assumptions:

Principal assumptions used for actuarial valuation are:

Particulars	Gratuity		Post-Retirement Medical Benefit	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Method used	Projected unit credit method			
Discount rate	6.76	7.65	6.76	7.65
Salary Escalation	8.50	9.00	8.50	9.00
Mortality Rate	100% of IALM (2012-14)	100% of IALM (2006-08)	100% of IALM (2012-14)	100% of IALM (2006-08)
Withdrawal rate up to 30/44 and above 44 years	3%/2%/1%			

29.6 Earnings per Share (EPS)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Net Profit as per Statement of Profit and Loss – (Rs. in lakhs)	938.51	5,162.24
Basic/Diluted weighted average number of equity shares outstanding during the year	65,41,17,494	65,41,17,494
Nominal value of Equity Share (Rs.)	10	10
Basic/Diluted Earnings per Share (Rs.)	0.14	0.79

29.7 Financial Instruments

- a. The carrying value and fair value of financial instruments by categories are as follows:

(Rs. in lakhs)

Particulars	Carrying value		Fair value	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Financial Assets				
At amortised cost				
Non-current				
Others non-current financial assets	34.73	34.71	34.73	34.71
Current				
Trade receivables	21,901.97	18,377.66	21,901.97	18,377.66
Cash and cash equivalents	922.79	1,413.19	922.79	1,413.19
Bank balance other than cash and cash equivalents	9,166.91	6,074.41	9,166.91	6,074.41
Loans	5.20	7.28	5.20	7.28
Others current financial assets	2,510.55	1,890.57	2,510.55	1,890.57

Total Financial Assets	34,542.15	27,797.82	34,542.15	27,797.82
<u>Financial Liabilities</u>				
At amortised cost				
Non-current				
Borrowings	1,28,926.87	1,33,259.62	1,28,926.87	1,33,259.62
Current				
Borrowings	1,800.00	5,810.00	1,800.00	5,810.00
Other current financial liabilities	15,658.94	11,836.62	15,658.94	11,836.62
Total Financial Liabilities	1,46,385.81	1,50,906.24	1,46,385.81	1,50,906.24

The management of Parent Company assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances and other financial assets measured at amortised cost equals their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Financial assets measured at amortised costs are evaluated by the Parent Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances, if any, have been taken into account for the expected losses of the receivables.

b. Details of assets pledged as security

The carrying amount of financial assets and property, plant and equipment as at 31st March, 2020 and 31st March, 2019, that the Parent Company has provided as security for obtaining borrowings and other facilities from the bankers are as follows:

Particulars	(Rs. in lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Financial Assets		
Trade Receivable	21,901.97	18,377.66
Cash & Cash Equivalents	828.52	1,298.85
Fixed deposits with banks	7,482.93	5,804.41
Property, Plant and Equipment (Gross Carrying value)	2,13,298.49	2,13,298.49
Total	2,43,511.91	2,38,779.41

29.8 Capital Management

The Parent Company's policy is to maintain a strong capital base so as to sustain future development of the business. The Parent Company monitors the return on capital. The Parent Company's objective when managing capital is to maintain an optimal structure

so as to maximize shareholder value. The Parent Company monitors debt equity ratio, which is total debt divided by total equity. The objectives for managing capital are being achieved by way of maintaining an optimal debt equity ratio as given in below table.

The capital structure is as follows:

(Rs. in lakhs)			
Particulars		As at 31 st March, 2020	As at 31 st March, 2019
Total equity attributable to the equity shareholders of the parent company	(a)	70,908.89	69,971.91
As percentage of total capital	(a/c)	33.14%	31.96%
Current Borrowings		1,800.00	5,810.00
Non-Current Borrowings		1,41,284.00	1,43,146.22
Total Borrowings	(b)	1,43,084.00	1,48,956.22
As percentage of total capital	(b/c)	66.86%	68.04%
Total capital (borrowings and equity)	(c)	2,13,992.89	2,18,928.13
Debt equity ratio	(b/a)	2.02	2.13

29.9 Related Party Disclosures (Ind-AS 24):

A) Names of the related parties

a. Holding Company

PTC India Limited

b. Entities under Common Control

PTC India Financial Services Limited

PTC Foundation

c. Key management personnel

Mr. Ajit Kumar

– Managing Director

Mr. Dharendra Swarup

– Independent Director

Mr. R. N. Nayak

– Independent Director

Mrs. Pravin Tripathi

– Independent Director

Ms. Bharti Prasad (w.e.f. 07th May, 2019) – Independent Director

Mrs. Sushama Nath (upto 14th March, 2019) – Independent Director

B) Description of transactions with the related parties in the normal course of business:

(Rs. in lakhs)

Name of Related Party	Nature of Transaction	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Ultimate Holding Company : - PTC India Limited	Expenses incurred on the behalf of the Parent Company	34.76	24.10
	Rent Expense	64.01	33.40
	Rental Income (exclusive of Indirect taxes)	-	50.89
	Expenses incurred by the Parent Company on their behalf	0.08	7.26
	Sitting Fees paid	5.20	6.80
Independent Director- Mr. Dharendra Swarup	Sitting Fees paid	5.20	4.80
Independent Director - Mr. R. N. Nayak	Sitting Fees paid	4.80	4.80

Independent Director - Mrs. Pravin Tripathi	Sitting Fees paid	5.20	4.40
Independent Director- Mrs. Sushama Nath	Sitting Fees paid	-	2.00
Independent Director- Ms. Bharti Prasad	Sitting Fees paid	2.40	-
Entities under Common Control: - PTC India Financial Services Limited	Term Loan Repayment	523.03	523.03
	Interest on Term Loan	631.43	647.31
	Interest on Medium Term Loan	472.60	-
	Medium Term Loan Received	7,500.00	-
	Processing fees paid	70.80	-
	Reimbursement of Expenses (expenses incurred on behalf of the Parent Company)	4.04	6.29
Entities under Common Control: - PTC Foundation	Reimbursement of Expenses (expenses incurred by the Parent Company on their behalf)	15.29	33.58
	CSR Expenses	-	5.98

C) Outstanding balances as at year-end:

		(Rs. in lakhs)	
Name of Related Party	Nature	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Associate Company: - R S India Global Energy Limited	Investment Outstanding (Gross: without consideration of impairment of Rs. 2,340.25 lakhs)	2,340.25	2,340.25
Entities under Common Control: - PTC India Financial Services Limited	Term Loan (Secured)	5,564.96	6,087.79
	Medium Term Loan (Secured)	7,448.41	--
	Reimbursement Receivable	13.67	32.51

Notes:

1. Related party relationship is as identified by the Parent Company and relied upon by the Auditors.
2. The Transactions with the related parties as detailed above have been entered / conducted by the Parent Company at arm's length.

29.10 Financial Risk Management

The Parent Company's principal financial liabilities comprise loans and borrowings and other payables. The main purpose of these financial liabilities is to finance the Parent Company's operations. The Parent Company's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations and other receivables.

The Parent Company's activities expose it to market risk (interest rate risk), credit risk and liquidity risk. The Parent Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Parent

Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

Credit risk

Credit risk is the risk that customer or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Parent Company's significant credit risk concentration is its trade receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Parent Company assesses the credit quality of the counter parties, and regularly monitors its receivables and their ageing to assess if any provisions are required.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment recognised represents the maximum credit exposure. The maximum credit exposure is as follows:

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2020	As at 31 st March, 2019
Other non-current financial assets	34.73	34.71
Trade Receivables	21,901.97	18,377.66
Cash and cash equivalents	922.79	1,413.19
Bank Balance other than disclosed above	9,166.91	6,074.41
Loans	5.20	7.28
Other current financial assets	2,510.55	1,890.57
Total	34,542.15	27,797.82

Liquidity risk

Liquidity risk is the risk that the Parent Company will not be able to meet its financial obligations as they become due. The Parent Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Parent Company has enough receivables and fixed deposits to meet its financial obligations.

The Parent Company's Finance department is responsible for liquidity management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March, 2020 and 31st March, 2019.

Particulars	(Rs. in lakhs)		
	As at 31.03.2020		
	Less than 1 Year	1-2 Years	2 Years and above
Borrowings	14,157.14	15,565.60	1,13,361.27
Other Financial liabilities	3,301.81	--	--

Particulars	As at 31.03.2019		
	Less than 1 Year	1-2 Years	2 Years and above

Borrowings	15,696.50	9,057.81	1,24,201.81
Other Financial liabilities	1,950.03	-	-

Market Risk (Interest rate risk)

Market Risk comprise only Interest rate risk in case of parent company and financial instruments affected by market risk is Borrowing and Interest. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Parent Company's exposure to the risk of changes in market interest rates relates primarily to the Parent Company's long-term debt obligations with floating interest rates.

Interest rate risk primarily arises from floating rate borrowing. However, parent company manages this risk by fixing rate of interest for initial period in respect of certain loans. The Parent Company's long-term borrowing is duly funded by its receivables and deposits, which do not expose it to significant interest rate risk.

The sensitivity analysis of interest rate is given as follows

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Increase/decrease in basis points	Effect on profit before tax	Effect on profit before tax
+0.50 (i.e. Base rate + Spread +0.50%)	(750.00)	(774.99)
-0.50 (i.e. Base rate + Spread -0.50%)	750.00	774.99

29.11. Operating Segments

The Parent Company is engaged in generation and selling of the power / electricity, and has no other business/segments and has no overseas operations/units and as such there is no reportable segment as per Indian Accounting Standard (Ind AS-108) dealing with the operating segments.

29.12. Some of the balances of trade receivables, creditors for capital goods and other parties are subject to confirmation/reconciliation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

- 29.13** a. The Parent Company in the year 2008-09 and 2009-10, had made an investment of Rs. 2,340.25 lakhs equivalent to 48% in the total equity of the company namely 'R.S. India Global Energy Limited' (RSIGEL), and therefore, the said company is an associate of the Parent Company. Based on an independent investigation into the affair of RSIGEL, the Parent Company concluded in the year 2014-15 that the said associate and its promoters had misrepresented various facts to induce it to make such investments, therefore the Parent Company has fully provided for the diminution in value of investment held in the said associate. The Parent Company had filed a criminal complaint against the associate and its promoters and is taking suitable steps both under civil and criminal law to safeguard its investments and to recover the pending outcome thereof.
- b. Further, the financial statements of the associate are not available since 2014-15, including for consolidation purposes. However, in the view of the management, since the Parent Company

has made full provision for diminution in the value of investment held in the associate and the Parent Company does not have any further obligation over and above the cost of investment, there will be no impact thereof on these consolidated financial statements.

29.14 Additional Information pursuant to Para 2 of general instructions for the preparation of consolidated financial statements as on 31st March, 2020

Name of the entity in the group	Net Asset i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
PTC Energy Limited	100%	70,908.89	100%	938.51	100%	(1.53)	100%	936.98
Associate								
Indian								
R.S India Global Energy Limited (Refer Note 29.13.b)	-	-	-	-	-	-	-	-

29.15 The SARS-CoV-2 virus responsible for COVID-19, which has been declared a Global pandemic by the World Health Organization, continues to spread across the globe, and has contributed to a significant decrease in global and local economic activities, and most of the governments including the Indian Government, have announced the strict lockdowns across their respective countries as one of the strongest measures to contain the spread of the virus. As at the date of approval of these financial statements, it is estimated that the impact of Covid-19 on the financial statements is not significant. Extent to which the COVID-19 pandemic will impact the Company's future activities and financial results will depend on future developments which are highly uncertain, therefore the impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

29.16 Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL), the state utility to whom the electricity is supplied, vide its letter dated 12.07.2019 asked the Parent Company to either reduce the tariff of electricity supplied to it from Rs. 4.84 per unit (as agreed in the Power Purchase Agreement / PPA) to Rs. 2.43 per unit, or face the termination of PPA. The said action of APSPDCL, was challenged by the Parent Company and other Wind Power Generators in the Hon'ble High Court of Andhra Pradesh, and the Hon'ble High Court vide its interim order, set aside the action of APSPDCL, and directed for resolution of the said matter by Andhra Pradesh Electricity Regulatory Commission (APERC), and till then the payment to the Wind Power Generators should be made at an interim rate of Rs. 2.43 per unit. Simultaneously, the Parent Company filed another petition with Hon'ble High Court for release of outstanding dues, and the Hon'ble Court directed APSPDCL to clear all the outstanding bills of the Parent Company at the interim rate of Rs. 2.43 per unit in three instalments starting from 01.11.2019 onwards. Pursuant to this order, certain payments have been received from APSPDCL. The said matter is pending for final resolution with APERC. Further, the authority of APERC for re-opening the tariff has been again challenged by Wind Power Generators including the Parent Company in the higher bench of Hon'ble High Court and hearings are in progress for same.

Further, amounts have also been deducted / withheld by APSPDCL, while making payment to the Parent Company on account of Generation Based Incentive (GBI), which is receivable in addition to the tariff rates from the Andhra Pradesh Government as per PPA. APSPDCL is disputing that the said amount is also considered to be part of tariff rate, and if paid by the government then it should be deducted from the billing of the electricity to that extent. The various Wind Power Generators including the Parent Company has challenged the same by filing a separate petition in the Hon'ble High Court of Andhra Pradesh, for which a stay was granted by the Hon'ble Court against deduction of GBI amount by APSPDCL. The matter is pending for final decision.

Considering that the above amounts have been billed to and are recoverable from the Andhra Pradesh Government / APSPDCL as per the terms of agreement / PPA, the management of Parent Company including its legal advisers are of the view that the above actions of APSPDCL may not be legally sustainable, and therefore the management believes that the ultimate outcome of the same will not have any material adverse effect on the Parent Company's financial position and results of operations, and the amounts dues from APSPDCL are good for recovery.

29.17 The previous year's figures have been re-grouped/re-classified wherever considered necessary.

As per our Report of even date attached

For S.P. Chopra & Co.

Chartered Accountants

Firm Registration No. 000346N

sd/-

Gautam Bhutani

Partner

M. No. 524485

UDIN - 20524485AAAAAV1024

**For and on behalf of the Board of Directors of
PTC Energy Limited**

sd/-

Ajit Kumar

Managing Director

DIN:06518591

sd/-

Rajib Kumar Mishra

Director

DIN:06836268

sd/-

Shashank Gupta

Chief Financial Officer

sd/-

Nidhi Verma

Company Secretary

Place: New Delhi

Date: 22nd May, 2020