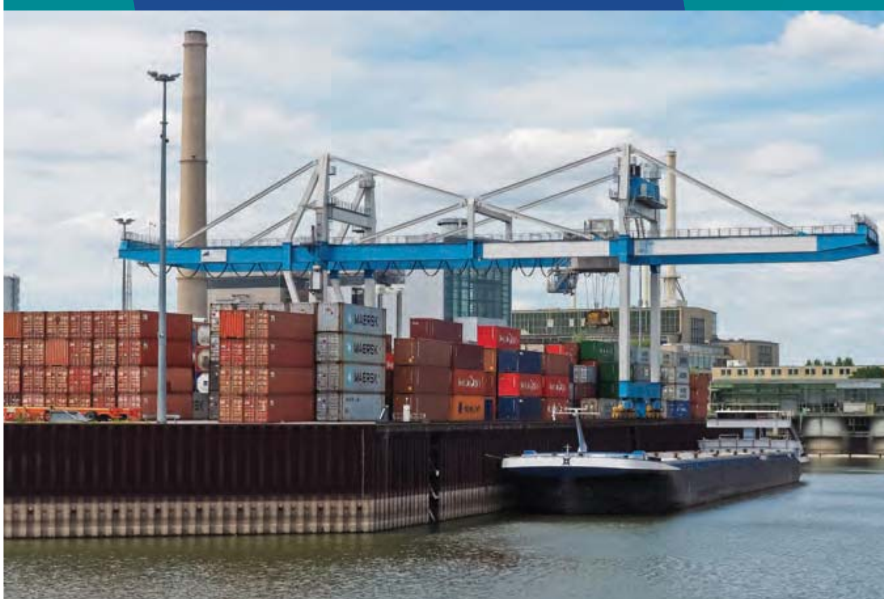
PTC India
Financial Services Limited

Enabling the World for Green energy



15th Annual Report
2020-21

Preferred Financial Partner in financing Infrastructure Projects

Contents

	Page No.

Reference Information

Registered Office	:	PTC India Financial Services Limited 7th Floor, Telephone Exchange Building 8 Bhikaji Cama Place New Delhi - 110 066 Tel : (011) 26737300, Fax : (011) 26737373
CIN	:	L65999DL2006PLC153373
Company Secretary	:	Mr. Vishal Goyal
Statutory Auditors	:	M/s. MSKA & Associates
Internal Auditors	:	M/s. Grant Thornton India LLP
Shares are listed on	:	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
Depository	:	National Securities Depository Limited Central Depository Services (India) Limited
Registrar and Share Transfer Agent (for Equity and Bonds)	:	KFin Technologies Pvt. Ltd. Selenium Tower B, Plot 31 & 32 Financial District, Nanakramguda, Serilingampally Mandal Hyderabad - 500 032, Telangana. Toll free number - 1- 800-309-4001
Bankers	:	Axis Bank Bank of Baroda Bank of India Bank of Maharashtra Canara Bank Central Bank of India Exim Bank of India HDFC Bank IDBI Bank Ltd ICICI Bank Ltd Indian Bank IndusInd Bank Limited Punjab National Bank State Bank of India The Jammu & Kashmir Bank Union Bank of India Yes Bank
Debenture Trustee	:	IDBI Trusteeship Services Limited Asian Building, Ground Floor 17 R. Kamani Marg, Ballard Estate Mumbai- 400001 Tel : (022) 40807000, Fax : (022) 66311776
Website	:	www.ptcfinancial.com
E-mail	:	complianceofficer@ptcfinancial.com info@ptcfinancial.com

PTC India Financial Services Limited

CIN: L65999DL2006PLC153373

Registered Office: 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place New Delhi - 110 066

Tel: +91 11 26737300 / 26737400 Fax: 26737373

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

NOTICE OF 15th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15th (Fifteenth) Annual General Meeting ("AGM") of the Members of PTC India Financial Services Ltd. ("PFS" or the "Company") will be held on Friday, 24th day of September, 2021 at 11:00 a.m. by way of Video Conferencing ("VC") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a) Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2021, together with Board's Report, and report of Auditor's thereon; and

   b) Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2021 and report of Auditor's thereon.

2. To re-appoint Dr. Pawan Singh (DIN : 00044987) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

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

   "RESOLVED THAT Dr. Pawan Singh (DIN : 00044987) who retires by rotation and who is eligible for re-appointment as per his existing terms of appointment be and is hereby re-appointed."

SPECIAL BUSINESS

3. **To re-appoint Shri Kamlesh Shivji Vikamsey (DIN: 00059620) as an Independent Director of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re enactment(s) thereof, for the time being in force) and upon the recommendation of Nomination and Remuneration Committee, Shri Kamlesh Shivji Vikamsey (DIN: 00059620), who was appointed as Independent Director by the Board for a period of three years w.e.f. 12th May 2018 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and SEBI Listing Regulations, be and is hereby re-appointed as Independent Director of the Company for a further period of three years w.e.f. 12th May, 2021.

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

4. **To re-appoint Shri Santosh Balachandran Nayar (DIN: 02175871) as an Independent Director of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act")and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re enactment(s) thereof, for the time being in force)and upon the recommendation of Nomination and Remuneration Committee, Shri Santosh Balachandran Nayar (DIN: 02175871), who was appointed as Independent Director, by the Board for a period of three years w.e.f 25th June 2018 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and SEBI Listing Regulations be and is hereby re-appointed as Independent Director of the Company for a further period of three years w.e.f. 25th June 2021.

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

5. **To appoint Ms. Renu Narang (DIN: 08070565) as Non-Executive Nominee Director and in this regard to consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 (the "Act") and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and upon the recommendation of Nomination and Remuneration Committee, Ms. Renu Narang (DIN: 08070565), who was appointed as an additional director in the category of Nominee Director of PTC India Limited (Promoter Company) by the Board of Directors w.e.f. 21st June 2021 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of the Director of the Company, be and is hereby appointed as a Non- Executive Director as Nominee of PTC India Limited whose office shall be liable to retire by rotation.

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

By Order of the Board of Directors,
For **PTC India Financial Services Limited**

Sd/-
(Vishal Goyal)
Company Secretary
M.No. A19124

Place: New Delhi — Address: 7th Floor, Telephone Exchange Building,
Date: 27th August 2021 — 8 Bhikaji Cama Place, New Delhi-110066

Notes

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the

Companies Act, 2013 (the "Act") and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting ("AGM") through video conferencing ("VC") or other audio visual means ("OAVM") and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting ("AGM") through video conferencing ("VC") or other audio visual means ("OAVM")" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the relevant circulars and other applicable provisions of the Act, the 15th AGM of the Members of the Company is being conducted through VC.

2. Since this meeting is called through VC and in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

3. The relevant details, pursuant to Section 102 of the Act and Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the ICSI, in respect of Director seeking appointment/ re-appointment at this AGM are also annexed to this Notice.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and consequent to which, the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ Registrar and Share Transfer Agent ("RTA") as on 27th August 2021. Members may note that the Notice of the AGM and Annual Report 2020-21 will also be available on the Company's website www.ptcfinancial.com, websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively and also on the website of M/s. Kfin Technologies Pvt. Ltd. ("KFin/ RTA" or "E-voting agent") at https://evoting.kfintech.com

6. The Member's log-in to the VC platform using the remote e-voting credentials shall be considered for record of attendance at the AGM and such Member attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Relevant documents referred to in the accompanying Notice of the AGM and the explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays and Sunday, between 11:00 a.m. and 1:00 p.m. upto the date of AGM. The requisite statutory registers shall also be open for inspection through electronic mode during the AGM.

8. SEBI has mandated the submission of Permanent Account Number ("PAN") for participating in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or Kfin i.e. Registrar and Share Transfer Agent ("RTA") of the Company.

9. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01st April 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

10. As permitted under Section 72 of the Act, the nominees are requested to write to RTA of the Company in the nomination form (i.e. Form No. SH. 13). In case, shares held in dematerialised form, the nomination has to be lodged with the respective depository participant. The nomination form can be downloaded from the Company's website www.ptcfinancial.com.

11. The communication address of our RTA is :-

    KFin Technologies Pvt. Ltd.
    Selenium Tower B, Plot 31 & 32,
    Financial District, Nanakramguda, Serilingampally Mandal,
    Hyderabad - 500 032, Telangana.
    Toll free number - 1- 800-309-4001

12. Members are requested to notify immediately any change of address and change in bank details etc.:

    i) to their DP in respect of Shares held in dematerialized from

    ii) to RTA in respect of their physical shares, if any, quoting their folio number.

13. Electronic Clearing System (ECS) facility shall be used for payment to shareholders, therefore, shareholders are requested to give their mandate in the form enclosed.

14. None of the Directors/KMPs of the Company is in anyways related to each other.

15. Members are requested to send all correspondence concerning registration of transmissions, sub-division, consolidation of shares or any other shares related matter and/or change in address and bank account, to Company's RTA.

16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company's RTA, for consolidation into a single folio.

17. Members desirous of getting any information on any item(s) of business of this meeting are requested to address their queries to the Company at the registered office atleast 10 days prior to the date of the meeting, so that the information required can be made readily available at the meeting.

18. Members who wish to claim dividends, which remain unpaid, are requested to correspond with our RTA. Members are requested to note that dividend not en-cashed/ claimed within seven years will be transferred to Investor Education and Protection Fund of Government of India as per provisions of the Act. In view of this, members are requested to send all un-cashed dividend warrants pertaining to respective years to Company/ RTA for revalidation and en-cash them before due date.

19. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations, and the above

referred MCA Circulars , the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Kfin i.e. our RTA for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by RTA.

20. The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

21. Members may please note that : -

    a. Notice of the AGM along with Annual Report for FY 2020-21 are being sent to all the members whose name appears as on 27th August 2021 (closing hours) in the Register of members or beneficial owner as received from RTA.

    b. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 17th September 2021 being cut-off date. Members are eligible to cast vote through remote e-voting or voting in the AGM only if they are holding shares as on that date. A person who is not the member as on the cut off date shall this notice for information purpose only and shall have right to attend the AGM only and not for voting.

22. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

23. Non-Resident members are requested to inform RTA, immediately of:

    (a) Change in their residential status on return to India for permanent settlement.

    (b) Particulars of their bank account maintained in India with complete name branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

    (c) In terms of notification issued by SEBI, equity shares if the Company are under compulsory demat trading by all investors. Members are therefore, advised to dematerialize their shareholding to avoid inconvenience in trading in shares of the Company.

24. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. 24th September 2021.

25. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

26. **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT**

    1. In accordance with the MCA Circulars and SEBI Circulars

        a) Notice of the AGM along with the Integrated Report for the financial year 2020-21 is being sent to the Members, trustees of debenture holders and to all other persons so entitled in electronic mode only, whose email addresses has been registered with the Company/ Depository Participants ('DPs')/ Depository/ KFIN. Members are requested to verify/ update their details such as email address, mobile number etc. with their DPs, in case the shares are held in electronic form and with KFIN, in case the shares are held in physical form.

        b) Those Members who have not yet registered their email addresses and consequently, have not received the Notice and the Integrated Report, are requested to get their email addresses and mobile numbers registered with KFIN, by following the guidelines mentioned below.

    2. **Guidelines to register email address:**

        i) Visit the link https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

        ii) Select the company name i.e. PTC India Financial Services Limited.

        iii) Enter DPID-CLIENT ID (in case shares are held in electronic form)/ Physical Folio No. (in case shares are held in physical form) and PAN.

        iv) If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating the records.

        v) In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.

        vi) Enter the email address and Mobile No.

        vii) System will check the authenticity of DPID-CLID/ Physical Folio No. and PAN/Certificate No., as the case may be, and will send the OTPs at the registered Mobile No. as well as email address for validation.

        viii) Enter the OTPs received by SMS and email to complete the validation process. Please note that the OTPs will be valid for 5 minutes only.

        ix) The Company through KFIN will send the Notice, Integrated Report and the e-voting instructions along with the User ID and Password to the email address given by you.

        x) Alternatively, Members may send a copy of the share certificate (in case shares are held in physical form) to enable KFIN to register their e-mail address and to provide them the Notice, Integrated Report and the e-voting instructions along with the User ID and Password at the email id einward.ris@kfintech.com.

        In order to enable the Company to comply with MCA circulars and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) permanently for sending the Annual report, Notice of AGM and the e-voting instructions.

        xi) Kindly note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of Notice, Integrated Report and the e-voting instructions along with the User ID and Password. Such Members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.

        xii) In case of queries, Members are requested to write to einward.ris@kfintech.com or call at the toll free number 1800 309 4001.

27. **Procedure for Remote E-Voting**

a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the provisions of Regulation 44 of the Listing Regulations and MCA Circulars, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin on all Resolutions set forth in this Notice, through remote e-voting. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility.

b) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFin for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

c) The remote e-voting facility will be available during the following period:

Day, date and time of Commencement of remote e-voting	From : 21st September, 2021 (9:00 am)
Day, date and time beyond which remote e-voting will not be allowed	To: 23rd September, 2021 (5:00 pm)

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a Resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are explained below:-

Step 1: Access to NSDL/CDSL e-Voting System

1. **Login method for e-Voting : Applicable only for Individual shareholders holding securities in Demat**

As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Entities, Individual Shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts/websites of Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility. The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

A. **Login method for Individual shareholders holding securities in demat mode is given below:**

NSDL	CDSL
1. **User already registered for IDeAS facility of NSDL:** I. URL: https://eservices.nsdl.com; II. Click on the "Beneficial Owner" icon under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name : **PTC India Financial Services Limited or E-Voting Service Provider** and you will be re-directed to e-Voting service provider (**"Kfin"**) website for casting the vote during the remote e-Voting period.	1. **Existing user who have opted for Easi / Easiest of CDSL** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on **"New System Myeasi"** icon III. Login with your registered user id and password. IV. Option will be made available to reach e-voting page without any further authentication. V. You will see **the e-Voting Menu**. The menu will have links of **E-voting Service Provider i.e. KFin e-Voting portal** where the e-voting is in progress. VI. Click on e-voting service provider – **"Kfin"** to cast your vote.
2. **User not registered for IDeAS e-Services facility of NSDL** I. To register click on link: https://eservices.nsdl.com II. Select **"Register Online for IDeAS" or** click on the link: **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp** III. Proceed with completing the required fields. IV. After successful registration, please follow steps given in Point No. 1 above to cast your vote.	2. **User not registered for Easi/ Easiest facility of CDSL** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. After successful registration, please follow steps given in Point No. 1 above to cast your vote.
3. **By visiting the e-Voting website of NSDL** I. Visit URL: https://www.evoting.nsdl.com/ II. Click on the icon **"Login"** which is available under **"Shareholder/Member"** section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select Name of the Company: **PTC India Financial Services Limited** or the E-Voting Service Provider, i.e. KFin. V. On successful selection, you will be redirected to the e-Voting page of KFin to cast your vote without any further authentication.	3. **Users may directly access the e-Voting module of CDSL as per the following procedure:** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. IV. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against PTC India Financial Services Limited or select E-Voting Service Provider "KFin" and you will be re-directed to the e-Voting page of KFin to cast your vote without any further authentication.

B. **Individual Shareholders (holding securities in demat mode) login through their depository participants.**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against the Company's Name : PTC India Financial Services Limited or E-Voting Service Provider - KFin and you will be redirected to e-Voting website of Kfin for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forgot Password option available at the NSDL and CDSL websites

Help Desk for Individual Shareholders of the Company holding Shares of the Company in demat mode facing any technical issue related to login through NSDL	**Help Desk for Individual Shareholders of the Company holding Shares of the Company in demat mode facing any technical issue related to login through CDSL**
Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

28. Login method for e-Voting for Shareholders other than Individual shareholders holding Shares of the Company in demat mode and Shareholders holding Shares in physical mode

A. Members whose email IDs are registered with the Company/ Depository Participants, will receive an email from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password: They will have to follow the following process:

I. Launch internet browser by typing the URL:https://emeetings.kfintech.com/

II. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number.In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

III. After entering these details appropriately, click on "LOGIN".

IV. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

V. You need to login again with the new credentials.

VI. On successful login, the system will prompt you to select the "EVEN" i.e., 'PTC India Financial Services Limited- AGM" and click on "Submit"

VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date i.e. 17th Sept. 2021 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on cut-off date. You may also choose the option ABSTAIN. Pursuant to Clause 16.5.3(e) of Secretarial Standard on General Meetings ("SS-2") issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government, in case a Member abstains from voting on a Resolution i.e., the Member neither assents nor dissents to the Resolution, then his/her/ its vote will be treated as an invalid vote with respect to that Resolution.

VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

X. You may then cast your vote by selecting an appropriate option and click on "Submit".

XI. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

XII. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF/JPEG Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the AGM through VC on its behalf and to cast its vote through remote e-voting to the Scrutinizer at email id ashishkapoorandassociates@gmail.com with a copy marked to evoting@kfintech.com. In case if the authorized representative attends the Meeting, the above mentioned documents shall be submitted before the commencement of AGM.

B. Members whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

I. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFin, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

II. Alternatively, member may send a copy of share certificate in case of physical folio to enable KFIN to register their e-mail address for sending the Annual report, Notice of AGM and the e-voting instructions at the email id einward.ris@kfintech.com.

III. In order to enable the Company to comply with MCA circulars and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) permanently for sending the Annual report, Notice of AGM and the e-voting instructions.

IV. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

29. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFin. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC shall open atleast 15 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox22.

iv. Members will be required to grant access to the webcam to enable VC. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vi. The members attending the AGM who have not already caste their voting by e-voting will be able to exercise their voting at the AGM. The Members who have cast their vote by remote e-Voting prior to the AGM may attend / participate in the AGM through VC but shall not be entitled to cast their vote on such resolution again.

vii. Institutional Members are encouraged to attend and vote at the AGM through VC.

30. GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS AT THE AGM:

a. A Member can opt for only a single mode of voting i.e. through remote e-voting or e-voting at the AGM. Members who are present at the AGM through VC facility and have not cast their votes on the Resolutions through remote e-voting may cast their votes during the AGM through the e-voting system provided by KFin during the AGM. Members who have already cast their votes by remote e-voting are eligible to attend the AGM; however, these Members are not entitled to cast their vote again in the AGM.

b. The e-Voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM. Upon clicking the e-voting window, Members will be directed to the **"Instapoll"** page. An icon, **"Vote"**, will be available at the bottom left on the Meeting Screen.

c. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Members shall be guided on the process during the AGM.

d. The voting rights of Members shall be in proportion to the paid-up value of their shares in the Equity Share capital of the Company as on the cut-off date i.e. 17th September 2021. Members are eligible to cast their vote either through remote e-voting or in the AGM by insta poll only if they are holding Shares as on that date. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.

e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting, he/she/ it may obtain the User ID and Password in the manner as mentioned below:

a) If the **mobile number** of the Member is **registered** against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to **9212993399**

- Example for NSDL:
  MYEPWD <SPACE>
  IN12345612345678
- Example for CDSL:
  MYEPWD <SPACE>
  1402345612345678
- Example for Physical:
  MYEPWD <SPACE>
  XXXX1234567890

b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

f. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin at Toll free number 1800- 309-4001 or write to them at evoting@ kfintech.com

g. Member may send an e-mail request to **evoting@kfintech.com**. However, KFin shall endeavor to send User ID and Password to those new Members whose e-mail IDs are available.

h. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of (https://evoting.kfintech.com/public/Faq.aspx (KFin Website) or contact Mr. Raj Kumar Kale Assistant General Manager – RIS at rajkumar.kale@kfintech.com or evoting@ kfintech.com or call KFin's Toll Free No. 1800-309-4001 for any further clarifications.

i. This AGM has been convened through VC in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars referred point 1 of the notes.

1. Members can participate at the AGM through desktop/ phone/ laptop/ tablet. However, for better experience and smooth participation, it is advisable to use Google Chrome, through Laptops connected through broadband, for the said purpose.

2. Members who participate using their desktop/phone/laptop/tablet and are connected via Mobile Hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any of the said glitches.

3. Further, Members will be required to allow access to the camera on their desktop/phone/laptop/tablet and are requested to use Internet service with a good connectivity, for smooth participation at the AGM.

31. All the documents referred to in this Notice and the Explanatory Statement setting out the material facts in respect of Item nos. 3 to 5 thereof and the Statutory Registers, will be made available for inspection by the Company and as such the Members are requested to send an email to info@ptcfinancial.com

32. Members may contact the Company or KFIN for conveying grievances, if any, relating to the conduct of the AGM, at the following address:

KFin Technologies Private Limited
Unit: PTC India Financial Services Limited
Selenium Tower B, Plot Nos. 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad, Telangana - 500032
Toll Free No.1800 3094 001
Email: einward.ris@kfintech.com

Contact Person:
Shri Raj Kumar Kale, Assistant General Manager(RIS)

33. SCRUTINIZER FOR E-VOTING AND DECLARATION OF RESULTS:

a. Mr. Ashish Kapoor (Membership FCS No. 8002) of M/s. Ashish Kapoor & Associates, has been appointed as Scrutinizer to scrutinize the e-voting process as well as e-voting during the AGM, in a fair and transparent manner.

b. The Scrutinizer will, after the conclusion of the e-voting at the AGM, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman of the Company or any other person of the Company authorised by the Chairman, who shall countersign the same. The Results shall be declared within two working days of the conclusion of the AGM.

c. The results declared along with the consolidated Scrutinizer's Report will be placed on the website of the Company at www.ptcfinancial.com and the website of KFin: https://evoting.kfintech.com immediately after the results are declared and will simultaneously be forwarded to BSE Limited and NSE, where the Equity Shares of the Company are listed.

d. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 24th September 2021 subject to receipt of the requisite number of votes in favour of the Resolutions.

34. SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM:

a) Members desiring any additional information or having any question or query pertaining to the business to be transacted at the AGM are requested to write from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number to the Company's investor email-id i.e. **info@ptcfinancial.com** so as to reach the Company by **23rd September 2021**, to enable the Management to keep the information ready. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.

b) Alternatively, Members holding shares as on the cut-off date may also visit **https://evoting. kfintech.com**/ and click on the tab **"Post Your Queries Here"** to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall be activated during the remote e-voting period i.e. from 21st September 2021 (09 : 00 a.m.) to 23rd September 2021 (05 : 00 p.m).

c) Members can also post their questions during AGM through the **"Ask A Question"** tab, which is available in the VC Facility.

d) The Company will, at the AGM, endeavor to address the queries received till 23rd September 2021 (05:00 p.m.) from those Members who have sent queries from their registered email IDs. Please note that Members' questions will be answered only if they continue to hold shares as on the cut-off date.

35. SPEAKER REGISTRATION BEFORE AGM

Members of the Company, holding shares as on the cut-off date i.e. 17th September 2021 and who would like to speak or express their views or ask questions during the AGM may register as speakers by visiting **https://emeetings.kfintech.com**, and clicking on **"Speaker Registration"** during the period from **21st September 2021 (09 : 00 a.m.) to 23rd September 2021 (05 : 00 p.m)**. Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

Members can also provide their feedback on the services provided by the Company and its Registrar & Transfer Agents be sending an email to the Company at info@ptcfinancial.com. This feedback will help the Company in enhancing Shareholder Service Standards.

36. KPRISM – MOBILE SERVICE APPLICATION BY KFINTECH:

Members are requested to note that Kfin has launched a mobile application – KPRISM and a website **https://kprism.kfintech.com** for online service to Shareholders.

Members can download the mobile application, register themselves (one time) for availing host of services viz., view of consolidated portfolio serviced by KFin, Dividend status, request for change of address, change/ update Bank Mandate. Through the Mobile application, Members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Members may alternatively visit the link **https:// kprism.kfintech.com/app/** to download the mobile application.

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 3

In pursuance to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made thereunder, Shri Kamlesh Shivji Vikamsey (DIN: 00059620), was appointed as an Independent Director, by the Board of Directors w.e.f. 12th May 2018 for a period of three years.

The Board of Directors of the Company at its meeting held on 09th March 2021, upon the recommendation of Nomination and Remuneration Committee, had approved and recommended to the shareholders for re-appointment of Shri Kamlesh Shivji Vikamsey as Independent Directors for a second term of three consecutive years on the Board of the Company w.e.f. 12th May 2021.

Shri Kamlesh Shivji Vikamsey is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Shri Kamlesh Shivji Vikamsey that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In the opinion of the Board, Shri Kamlesh Shivji Vikamsey fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations.

Shri Kamlesh Shivji Vikamsey is independent of the management and possesses appropriate skills, experience and knowledge. He has 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, and not required to undertake online proficiency self-assessment test conducted by the IICA.

Shri Kamlesh Shivji Vikamsey has confirmed that he is not debarred from appointment by any order of SEBI or any other authority.

Considering the background and experience of Shri Kamlesh Shivji Vikamsey, the Board, on the basis of the satisfactory performance evaluation of Shri Kamlesh Shivji Vikamsey and recommendation of Nomination and Remuneration Committee, considers that the continued association of Shri Kamlesh Shivji Vikamsey would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director.

Accordingly, the Board recommends the resolution set out at Item No. 3 in relation of re-appointment of Shri Kamlesh Shivji Vikamsey as an Independent Director, for the approval of members of the Company as a Special Resolution.

None of the Directors or Key Managerial Personnel and their relatives except Shri Kamlesh Shivji Vikamsey and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

Brief Profile of Shri Kamlesh Shivji Vikamsey

Shri Kamlesh Shivji Vikamsey has a bachelor's degree in commerce from the University of Mumbai and is a qualified Chartered Accountant. He is a Senior Partner of Khimji Kunverji & Co LLP, Chartered Accountants since 1982. He has more than thirty five years of experience in Accounting and Finance, Taxation, Corporate and Advisory services. Presently: He is Chairperson of the Audit Advisory Committee of United Nations Children's Fund (UNICEF), New York, United States of America; Interim Chairperson and Member of the Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU), Geneva, Switzerland; Member of Audit Committee of World Meteorological Organization (WMO), Geneva, Switzerland. He is on the Board of several Listed Public & Private Limited Companies as Independent Director and Chairman of Audit Committee and Trustee and Treasurer of Global Vipassana Foundation, an internationally renowned Trust which has constructed Global Pagoda in Mumbai.

He was the Chairperson of External Audit Committee (EAC) of International Monetary Fund (IMF), Washington D.C., United States of America 2017-2018, and Member since 2015; the Chairperson of the Audit Advisory Committee of the United Nations Development Programme (UNDP) and a member of the Indian Advisory Board at Intuit. He was the President of the Confederation of Asian and Pacific Accountants (CAPA) 2007-2009 and was the Deputy President of CAPA during 2005-2007. He was a Board Member of the International Federation of Accountants (IFAC) from 2005 until 2008. He was the President of the Institute of Chartered Accountants of India (ICAI) during 2005-06. He has served as a member of various advisory and expert committees at national and international levels including as a Member of the Steering Committee for comprehensive review of Governance and Oversight within the United Nations.

Item no. 4

In pursuance to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made thereunder, Shri Santosh Balachandran Nayar (DIN: 02175871), was appointed as an Independent Director, by the Board of Directors w.e.f. 25th June 2018 for a period of three years.

The Board of Directors of the Company at its meeting held on 21st June 2021, upon the recommendation of Nomination and Remuneration Committee, had approved and recommended to the shareholders for re-appointment of Shri Santosh Balachandran Nayar as Independent Directors for a second term of three consecutive years on the Board of the Company w.e.f.25th June 2021.

Shri Santosh Balachandran Nayar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Shri Santosh Balachandran Nayar that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In the opinion of the Board, Shri Santosh Balachandran Nayar fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations.

Shri Santosh Balachandran Nayar is independent of the management and possesses appropriate skills, experience and knowledge. He has 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, and not required to undertake online proficiency self-assessment test conducted by the IICA.

Shri Santosh Balachandran Nayar has confirmed that he is not debarred from appointment by any order of SEBI or any other authority.

Considering the background and experience of Shri Santosh Balachandran Nayar, the Board, on the basis of satisfactory performance evaluation of Shri Santosh Balachandran Nayar, and recommendation of Nomination and Remuneration Committee, considers that the continued association of Shri Santosh Balachandran Nayar would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director.

Accordingly, the Board recommends the resolution set out at Item No. 4 in relation of re-appointment of Shri Santosh Balachandran Nayar as an Independent Director, for the approval of members of the Company as a Special Resolution.

None of the Directors or Key Managerial Personnel and their relatives except Shri Santosh Balachandran Nayar and his relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Brief Profile of Shri Santosh Balachandran Nayar

Shri Sanotsh Balachandran Nayar is the Independent Director on the Board of the Company. Shri Sanotsh Balachandran Nayar has rich working experience of more than 40 years in project finance and banking, including international & investment banking, and life insurance industry. Shri Nayar was the Chairman of India Infrastructure Finance Company Limited (IIFCL), a wholly-owned Government of India Enterprise.

Item no. 5

Appointment of Ms. Renu Narang (DIN: 08070565) as Non-executive Nominee Director

Ms. Renu Narang (DIN: 08070565), aged about 56 years is, currently, holding the position of Executive Director in NTPC Limited. She was appointed as an Additional Director on the Board of Company w.e.f. 21st June 2021 upon the recommendation of the Nomination & Remuneration Committee, as Nominee Director of PTC India Limited (Promoter Company), and holds office up to the date of the ensuing Annual General Meeting ("AGM").

The Company has received a notice in writing as per Section 160 of the Companies Act, 2013 ("the Act"), signifying intention to propose Ms. Renu Narang as Non-Executive Director on the Board of the Company. The above appointment of Ms. Renu Narang, as Director being liable to retire by rotation in terms of Section 152 of the Act requires approval of the Members in the AGM. Ms. Renu Narang has confirmed that she is not disqualified from being appointed as a Director under Section 164 of the Act and has not been debarred from appointment by any order of SEBI or any other authority.

The Board recommends the resolution set out at Item no. 5 of the notice for your approval.

None of the Directors or Key Managerial Personnel and their relatives except Ms. Renu Narang and her relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Brief resume of Ms. Renu Narang

Ms. Renu Narang, is the Executive Director (Finance) of NTPC Limited. She is also the Chief Executive Officer of NTPC Electric Supply Limited, a wholly owned subsidiary of NTPC Ltd. She is serving as a Nominee, part time Director on the Board(s) of NTPC's subsidiaries/ joint ventures namely "Bhartiya Rail Bijlee Company Ltd., Bangladesh-India Friendship Power Company (Pvt.) Limited, and Hindustan Urvarak & Rasayan Ltd.

Ms. Narang has over 33 years of experience in all aspects of Finance and Accounts. Resource mobilization from domestic and foreign lenders for both Long Term and Short Term needs has been her forte. Her experience spans over areas in International Finance, Budgeting, Financial Concurrence, Investor Services, Treasury and Commercial and Regulatory issues etc. She was also responsible for implementation of SAP based ERP across the company. Ms. Narang is a Management Graduate from Indian Institute of Management, Lucknow; is an alumnus of SRCC, Delhi University. She also holds a Bachelor's degree in Law (LLB) from Delhi University.

The Board considers that her association would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation of appointment of Ms. Renu Narang as Nominee Director, for the approval of members of the Company as an Ordinary Resolution.

By Order of the Board of Directors,
For **PTC India Financial Services Limited**

Sd/-
(Vishal Goyal)
Company Secretary
M.No. A19124

Place: New Delhi
Date: 27th August, 2021

Address: 7th Floor, Telephone Exchange Building,
8 Bhikaji Cama Place, New Delhi-110066

Information about the Directors seeking Appointment/Re-appointment at the 15th Annual General Meeting in pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards-2 as issued by ICSI

Name	Dr. Pawan Singh	Shri Kamlesh Shivji Vikamsey	Shri Santosh Balachandran Nayar	Ms. Renu Narang
Date of birth	19th October, 1961	06th December 1960	06th September 1954	05th August 1966
Age	59 years 6 months	60 years	67 years	56 years
DIN No.	00044987	00059620	02175871	08070565
Date of appointment/ re-appointment	01st Feb., 2012	12th May 2021	25th June 2021	21st June 2021
Qualification	MBA, Ph.D	B.com and Chartered Accountant	B.Com (Hons,), CAIIB	Management Graduate from Indian Institute of Management, Lucknow; LL.B.
Details of remuneration sought to be paid	Details given in Board Report	N.A.	N.A.	N.A.
Nationality	Indian	Indian	Indian	Indian
Experience	More than 38 years	Practicing Chartered Accountant since 1982	More than 40 years	More than 33 years
Expertise in specific functional areas	Vast Experience in Managment, Power Sector & Infra Finance	Finance Sector	Banking & Finance Sector	Finance & Accounts
Date of first appointment on the Board of the Company	01st Feb., 2012	12th May 2018	25th June 2018	21st June 2021
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per his exiting terms of appointment	As Independent Director he shall be entitled only for the sitting fee for attending the Board/ Committee meetings. Further details, please refer subjected resolution along with explanatory statement.	As Independent Director he shall be entitled only for the sitting fee for attending the Board/ Committee meetings. Further details, please refer subjected resolution along with explanatory statement.	Non-Executive Nominee Director she shall be entitled only for attending the Board/ Committee meetings, which shall be paid to the NTPC Limited (Promoter Company of PTC India Limited). Further details, please refer subjected resolution along with explanatory statement.
Last drawn remuneration, if applicable	Details given in Board Report	Only sitting fee is paid, details given in the Corporate Governance Report	Only sitting fee is paid, details given in the Corporate Governance Report	N.A.
No. of Board meetings attended during the year 2020-21	Details given in Corporate Governance Report	Details given in Corporate Governance Report	Details given in Corporate Governance Report	N.A.

Name	Dr. Pawan Singh	Shri Kamlesh Shivji Vikamsey	Shri Santosh Balachandran Nayar	Ms. Renu Narang
Name(s) of the other Companies in which Directorship held including membership/ chairman of any committee	PTC Energy Limited (Member - Audit Committee)	1. Navneet Education Limited (Member- Nomination & Remuneration Committee) 2. Man Infraconstruction Limited (Chairman – Audit Committee; Member- Nomination & Remuneration Committee) 3. Tribhovandas Bhimji Zaveri Limited (Chairman – Audit Committee; Member- Nomination & Remuneration Committee) 4. Apcotex Industries Limited (Chairman – Audit Committee; Member- Nomination & Remuneration Committee)	1. Bajaj Energy Limited 2. Mytrah Energy (India) Private Limited (Chairman- Audit Committee) 3. Feedback Infra Private Limited (Member- Audit Committee; Chairman- CSR Committee) 4. Reliance Nippon Life Insurance Company Limited (Member- Board Audit & Compliance Committee; Board Asset Liability Management Committee; Board Risk Management Committee; Board Corporate Social Responsibility Committee; Board Policyholders Protection Committee; Board With Profits Committee; Board Investment Committee) 5. Adhunik Power & Natural Resources Limited	1. PTC India Limited 2. Hindustan Urvarak & Rasayan Limited (Member- Audit Committee, Project Management Committee, CSR/CER Committee) 3. Bhartiya Rail Bijlee Company Limited (Chairperson- Audit Committee, Nomination & Remuneration Committee, CSR Committee, Committee for Allotment & Post Allotment activities) 4. Bangladesh-India Friendship India Private Limited (Foreign Co.) (Member- Audit Committee, Coal Procurement Committee, Remuneration and Appointments Committee)
Membership/ Chairmanship of Committees of PTC India Financial Services Limited	1. Risk Management Committee; 2. CSR Committee	1. Audit Committee (Chairman) 2. IT Strategy Committee (Member) 3. Business Committee (Member)	1. Nomination & Remuneration Committee (Chairman) 2. Risk Management Committee (Member)	1. Business Committee (Chairperson) 2. Nomination & Remuneration Committee (Member)
Number of Shares held in the Company	Nil	Nil	Nil	Nil
Relationship with other directors, Manager, key managerial personnel of the Company	Not related to any Directors and Key Managerial Personnel of the Company	Not related to any Directors and Key Managerial Personnel of the Company	Not related to any Directors and Key Managerial Personnel of the Company	Not related to any Directors and Key Managerial Personnel of the Company

PTC India Financial Services Limited
BOARD'S REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present 15th (fifteenth) Annual Report together with the Audited Financial Statements of your Company ("the Company" or "PTC India Financial Services Limited/ PFS") for the financial year ended 31st March 2021.

1. Financial Performance

The summarized financial results of your Company are given in the table below.

(₹ in millions)

	Standalone		Consolidated	
	FY2020-21	FY2019-20	FY2020-21	FY2019-20
Total Income	**11,394.54**	**13,697.10**	**11,394.54**	**13,697.10**
Profit/(loss) before Finance Charges, Depreciation & Tax (EBITDA)	8,508.74	11,268.26	8,508.74	11,268.26
Finance Charges	7515.02	9,484.46	7515.02	9,484.46
Depreciation and Amortization	59.54	63.42	59.54	63.42
Tax Expense	678.15	620.39	678.15	620.39
Net Profit/(Loss) After Tax	**256.03**	**1,099.99**	**256.03**	**1,099.99**
Other Comprehensive Profit /(Loss) for the year	(65.70)	(24.31)	(65.70)	(24.31)
Total Comprehensive Profit /(Loss) for the year	**190.33**	**1,075.68**	**190.33**	**1,075.68**

In FY 2020-21 the total income decreased by 16.81% from ₹ 13,697.10 million in FY2019-20 to ₹ 11,394.54 million due to COVID 19 impact. However, this got offset singnificantly by decrease in finance cost by 20.76% to ₹ 7,515.02 million as compared to ₹ 9,484.46 million in FY 2019-20. In FY 20-21, the Spread on earning portfolio has improved to 2.71% from 2.62% and NIM on earning portfolio has improved from 3.31% to 3.47%. The other expenses increased by 21.01% to ₹ 349.29 million during FY 2020-21 as compared to ₹ 288.63 million in FY 2019-20, the increase in provision is due to one time provision made during the year amounting to ₹ 103.89 million for payment made to YIEDA towards stamp duty for purchase of land. Other income increased by 62.69% to ₹ 88.83 million during FY 2020-21 compared to ₹ 54.60 million in FY 2019-20. Few of the loan accounts were referred for liquidation by NCLT and accordingly, provision for Impairment on Financial Instruments has increased to ₹ 2,294.70 million in FY 2020-21 from ₹ 1,957.06 million in FY 2018-19.

In FY 2019-20, PFS focused on diversified sources of borrowings and also on reduction of cost of borrowings. During FY 2020-21, PFS received fresh sanctions of long-term loans of ₹8,000 million from existing lender viz Canara Bank and State Bank of India. PFS was able to reduce the Debt : Equity ratio during the year to 4.37 from 4.43 in FY 2019-20 The ratio of long-term borrowings to short term borrowings has also been maintained at comfortable level at 89:11 in FY 2020-21 against 91:9 in FY 2019-20 which indicates the strengthening of our cash flows and reduced payment obligations in the short-term. The Company has maintained sufficient liquidity in the form of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligation in near future.

COVID-19, a global pandemic has affected the world economy including India leading to significant decline in economic activity and volatility in the financial markets. Government announced various relief packages to support various segments of the economy. In line with RBI circulars, company provided the support to borrowers during the year in the form of moratorium on payments by them to the company. The company does not foresee any significant concern where projects have been commissioned/ completed as they have must run status. However, it would be difficult to assess the impact on borrower's ability to service the debt where projects are under construction considering construction activities were halted due to lockdown restriction. However, respective Government Authorities have issued the circulars for allowing extension in SCOD. The overall growth of PFS business during the financial year has been impacted due to various factors including lockdown situation in country as activities related to clearances, land acquisition for new/under construction projects specifically in renewable and road sectors.

In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report, one time settlement (OTS) proposal, asset value as per latest available financials with appropriate haircut as per ECL policy). Further, management overlay, wherever appropriate and approved by the Audit Committee, has been applied to reflect the current estimate of future recoverable values. The Company expects to recover the net carrying value of these assets, basis assessment of facts and ECL methodology which factors in future economic conditions as well. However, the eventual outcome of impact of COVID -19 may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any material changes to the future economic conditions.

During the FY 2020-21, with the focused efforts of the management, one NPA loan accounts amounting to ₹ 742.50 million were resolved and few loan accounts are on verge of resolution. During the year gross NPAs have increased from ₹ 7,446.20 million to ₹8,241.06 million and net NPAs have decreased from ₹ 3,844.87 million to ₹ 3,130.59 million. For FY 2020-21, Gross NPA as a % to gross advances was 7.64% and Net NPA as a % to net advances was 3.08% as compared to 6.74% and 3.59% respectively for FY 2019-20. The Company is continuously focusing on resolving the stress assets and the efforts may result in better profitability in coming years. Most of the NPA accounts belong to Thermal and Large Hydro projects. The Company is shifting its focus on other areas including renewable energy because of which the company's exposure to thermal has reduced to 11% in FY 2020-21 in comparison to 30% as at FY 2015-16.

The profit before tax (PBT) for FY 2020-21 stood at ₹ 934.18 million compared to ₹ 1,720.38 million in FY 2019-20. The profit after tax (PAT) for FY 2020-21 stood at ₹ 256.03 million against ₹ 1,099.99 million in FY 2019-20.

For ensuring robust quality of portfolio, PFS continues to strengthen credit appraisal process and risk management function, PFS has further strengthened the project monitoring function and implemented early warning signal framework for early identification of stress in assisted projects, and, a special team has been set up to deal with and find resolution of stressed assets.

2. **Summary of Operations and State of Company's Affairs**

PFS has been playing a crucial role in the development of the country's core infrastructure. By offering medium/long-term credit solutions, it has been enabling the funding and growth of the infrastructure projects across the country. PFS provides debt assistance to projects in the entire energy value chain i.e. power generation projects, transmission and distribution projects, fuel sources and related/other infrastructure.

The debt assistance sanctioned during FY 2020-21 stands at ₹ 40,976.70 million and disbursement at ₹ 26,469.50 million as compared to ₹ 30,408 million and ₹ 25,904 million during FY 2019-20. As on 31st March 2021, the cumulative debt sanctioned net of cancellations/loan closure aggregated to ₹ 15,3848.0 million. Out of the same, PFS' exposure to power sector which constitutes generation, transmission and exposure to state power sector is 75.18% and the balance is in other infrastructure sectors majorly comprising of road, port, water infra and e-mobility sector etc.

The gross portfolio stood at ₹ 110,941.40 million in FY 2020-21 as compared to ₹ 113,950 million in FY 2019-20. The fund-based portfolio stood at ₹ 107,515.50 million in FY 2020-21 as compared to ₹ 110,060 million in FY 2019-20 and letters of comfort stood at ₹ 3,425.90 million in FY 2020-21 as against ₹ 3,890 million in FY 2019-20. The reduction in loan book is mainly on account of impact of COVID-19 Pandemic on Infrastructure growth during FY 20-21. The equity investments made by the Company aggregated to another ₹ 2,469.21 million as at the year end.

The financial assistance provided by PFS as on 31st March 21 are majorly in renewable / environmental friendly and sustainable infrastructure projects. As at 31st March 2021, the renewable portfolio comprises the highest proportion in the outstanding loan book at around 43.11%, thermal projects constitute just about 8.78% and the balance 48.11% includes other infra and loans to state power sector. Further, overall PFS exposure in energy value chain is 86.02% and exposure in non-energy value chain area is 13.98%. PFS has decarbonized is balance sheet and positioned as sustainable infra finance company. In coming years, PFS will continue to focus on reduction of its thermal exposure, to 8.78% as on 31st March 2021. Under the other infra sectors, PFS also has an exposure of 6.03% in the transmission sector and 8.23% in the road sector as at 31st March 2021. Further, the outstanding loan portfolio of PFS has a 22.80% exposure to state power utilities and 9.01% exposure as structured loans to holding companies of private infrastructure groups for capex purpose in power, road and port sector.

As at 31st March 2021, the company has ₹ 89,246.2 million of renewable power projects are commissioned and operational and comprises 83% of its total outstanding loans. The Company regularly monitor the progress and operations of the assisted projects through its comprehensive project monitoring mechanisms. PFS has implemented an Early Warning Signal (EWS) Framework with an objective to identify stress in the loan portfolio and to avoid slippages of such loan accounts into NPA category, EWS Framework has been integrated with the Internal Credit Grading Models for factoring in organisational risk.

Stress accounts are a drain on any lending company's resources and are thus required to be resolved on a war footing. Considering the negative drag of the stress accounts in the financials of PFS, a dedicated unit viz. Special Asset Resolution Cell (SARC) has been formed. The accounts are resolved under various resolution platforms like NCLT, One Time Settlement (OTS), SARFAESI, sale to ARC etc. The resolution of the stress accounts has led to a multipronged advantage to PFS, on one hand the absolute figure of NPA has come down and on the other hand, the amount received under resolution has been ploughed back in the operations of PFS which add to its income.

With a focused approach, PFS in FY 20-21 was able to resolve 1 (one) NPA account with principal outstanding of ₹ 742.50 million which was around 7.8% of the principal outstanding of the total stressed assets at the start of the year. The amount recovered was around 56% of the principal outstanding of the resolved account. During the year, PFS has also received resolution plans for other NPA accounts, which are under advanced stage of evaluation.

3. **Industry Scenario**

Infrastructure development plays a very crucial and critical role in economic growth of the country. There exists a very high correlation between infrastructure investment and economic growth of country. Promoting growth of the economy has always been the utmost priority of the Government. The Government is continuously taking steps to facilitate production and GDP growth of the economy. The Government aims at creating a conducive environment by streamlining the existing regulations and processes and eliminating unnecessary requirements and procedures.

Power from renewable sources is one of the focus area in infrastructure development, crucial for the economic growth and welfare of nations. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition mainly through renewable sources in the country. According to the Ministry of Power, India's power consumption grew 41% at 119.27 billion units (BU) in April 2021 over the same month last year. The level of availability and accessibility of affordable and quality power is also one of the main determinants of the quality of life. India is the third largest producer after China and USA and second largest consumer of electricity in the world and had an installed power capacity of 382.73 GW as of April 2021. Electricity production reached 1,380 billion units (BU) in FY21. India was ranked fifth in wind power, fifth in solar power and fourth in renewable power installed capacity. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

The peak power demand in the country stood at 189.64 GW in FY21. Therefore, the Government's thrust on renewable energy made this sector as the fast-emerging major source of power in India. As of April 2021, India had an installed renewable energy capacity of 95.01 GW, which include 41.79% (39.41 GW) share through wind power and 41.91% (40.50 GW) of solar power. Keeping in view the commitment to a healthy planet and Nationally Determined Contributions as per the Paris Accord on Climate Change, the Government of India has set a target to install 227 GW of renewable energy capacity by FY22. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement. As per the Central Electricity Authority (CEA) estimates, by 2029-30 share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%. To give a further boost to the RE sector, an additional capital infusion of ₹ 1,000 crore to SECI has been provided by Government of India, which will enable SECI to float 15,000 MW of tenders on yearly basis. On yearly basis, it will attract investment of more than ₹ 60,000 crore.

In the past 10 years, the transmission line length grew at a compounded annual growth rate of over 7.5% and substation capacity grew at about 11.8%. The pace of expansion is expected to continue in the future to meet the government's renewable energy targets and 24×7 power for all consumers. As per CEA report, the load generation balance indicated that Northern Region (NR) is having a deficit of about 18500-22200 MW while the deficit of Southern Region (SR) is about 13000 to 19100 MW at the end of 13th Plan (FY 2021-22) and this will translate into further transmission capacity augmentation. Further, Government of India has focused on development of green dedicated corridor for evacuation of power from renewable energy projects. The integration of the proposed capacity addition of 175/227 GW RE in next few years at national level will involve transmission of electricity across still longer distances. The augmentation of transmission and distribution network capacity is required to meet the generation demand from various sources, which will lead to enough business potential in the sector for PFS in coming years.

Roads are part of an integrated multimodal system of transport which influences the pace, structure and pattern of economic development. Road provides crucial links to airports, railway stations, ports and other logistical hubs and acts as a catalyst for economic growth by playing a critical role in the supply chain management. India has the second largest road network in the world, spanning a total of 5.89 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country. In India, sale of automobiles and movement of freight by roads is growing at a rapid rate.

The Government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. With the Government permitting 100 per cent Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalize on the sector's growth. Highway construction in India increased at 21.44% CAGR between FY16-FY19. Despite pandemic and lockdown, India has constructed 13,298 km of highways in FY21. By April 2021, the Ministry of Road Transport and Highways constructed 853 kms of national highways compared with 210 kms in April 2020. Going forward, the Government also aims to construct 23 new national highways by 2025 and is targeting to construct 40 kms per day in FY22. The Government of India has allocated ₹ 111 lakh crore (US$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25.

Capacity additions at ports are expected to record a CAGR of 5-6% till 2022 with Cargo traffic is expected to reach 1,700 MMT by 2022, adding 275-325 MT. Under Sagarmala, the Government aims to modernize 189 ports with investments totalling ₹1.42 trillion ($ 22 billion) by 2035.The Ministry of Shipping has set a target capacity of over 3,130 MMT by 2020, which would be driven by private sector participation.

PFS has diversified its portfolio by lending long term debt to Sewerage Treatment Plant, under Namami Gange scheme, E mobility where assets are secured by fixed revenue from Govt. of India/ State Govt. It has been considered that PFS will continue to fund such type of projects in future.

The Centre has launched a new flagship programme – Jal Jeevan Mission (Urban) 'Har Ghar Jal' (Rural) to provide piped water supply of prescribed quality and tap connections to all households in cities and rural area over the next five years on long-term and regular basis. The Government is expected to earmark ₹ 1.35 lakh crore for the Jal Jeevan mission from April 2021 to 31st March, 2026.

'Namami Gange Programme', is an Integrated Conservation Mission, approved as 'Flagship Programme' by the Union Government in June 2014 with budget outlay of ₹ 20,000 Crore to accomplish the twin objectives of effective abatement of pollution, conservation and rejuvenation of National River Ganga. A total of 153 sewerage infrastructure projects have been sanctioned in eight (8) States (Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, West Bengal, Delhi, Haryana, and Himachal Pradesh) till date to create/rehabilitate 5065 MLD sewage treatment capacities and sewer network of 4972 Km at a cost of ₹ 23,305 Crore along Ganga and its tributaries.

In a move to address the issues of National energy security, vehicular pollution and growth of domestic manufacturing capabilities Government of India unveiled the 'National Electric Mobility Mission Plan (NEMMP) 2020'. The Department of Heavy Industry (DHI) launched Phase-II of the Scheme on 8th March 2019, with the approval of Cabinet with an outlay of ₹ 10,000 crores for a period of 3 years commencing from 1st April 2020. Under FAME II Scheme, bus supplier is eligible for a capital subsidy, same is being computed as maximum of demand incentive available from DHI depending on length of a bus or 40% of estimated cost of bus. DHI, has approved the sanction of 5,595 electric buses to 64 Cities.

NBFCs have played a crucial role as one of the key contributors to India's economy by providing a fillip to infrastructure, employment generation, wealth creation and access to financial services for the rural and weaker sections of society. However, the outbreak of the novel Coronavirus (COVID-19) pandemic globally and in India and the consequent lockdown restrictions imposed by Government is causing significant slowdown of economic activities across the world. The growth of PFS's business at the end of FY 21 has been adversely impacted due to the lockdown situation in entire country on account of the COVID-19 pandemic where no progress for activities related to clearances, land acquisition for under construction projects specifically in renewable, transmission and road sectors.

Govt. announced various relief packages to support all segments. In line with Govt. initiative, RBI issued guidelines relating to COVID-19 Regulatory Package and PFS has granted a moratorium of six months on the payment of all instalments and / or interest, as applicable, falling due between 1st March, 2020 and 31st August, 2020 to the eligible borrowers and those who applied for moratorium. These borrowers are classified as standard. PFS allowed moratorium to borrowers comprising of 50% of the loan book. Even after allowing moratorium, the Company has sufficient liquidity in the form of High Quality Liquid Asset (HQLA) and undrawn lines of credit to meet its financial obligations in the near future. The Company does not foresee any significant concern in the case of borrowers where projects have been commissioned/ completed, considering 50% of loan book comprises of operational, renewable energy projects that have must run status.

4. Outlook

India is the fastest-growing trillion-dollar economy in the world after USA, China, Japan, Germany and United Kingdom, driven by key structural reforms and further reduction in external vulnerabilities. Government of India has retained its focus on fiscal consolidation and implemented structural reforms for further growth in the infrastructure sector in general.

India has made important progress towards meeting the United Nations Sustainable Development Goals, notably Goal 7 on delivering energy access. Both the energy and emission intensities of India's gross domestic product (GDP) have decreased by more than 20% over the past decade. This represents commendable progress even as the total energy-related carbon dioxide (CO_2) emissions continue to rise. India's per capita emissions today are 1.84 tons of CO_2, well below the global average of emissions.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). By 2022, the target for renewable energy has been increased to 175 GW by 2022. Capacity addition in RE sector (Solar and wind), in the last 5 years has been driven by various initiatives and policy measures taken by Government of India and various state governments. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement. The peak power demand in the country stood at 189.64 GW in FY21. India is set to become a global manufacturing hub with investment across the value chain. India's power demand is expected to rise to 1,905 TWh by FY22.

The Government's recent move to allow Public Private Partnership in sectors like Water sanitation, Railways and other sectors has opened more avenues to Private sector. The mix of Public Private Participation model is continuously increasing, thereby, increasing confidence, support and investment in the infrastructure sector. The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US$ 1.4 trillion on infrastructure during 2019-23 for the sustainable development of the country. Indian infrastructure sector is facing a paradigm shift moving towards timely completion of projects as against the general phenomenon of delay in completion of projects due to the delay in obtaining approval and clearances, lack of co-ordination between various departments and the resultant delay in project completion.

Power will remain as one of the most important components of infrastructure, crucial for economic growth and welfare of the country. The renewable power sector saw moderate capacity addition during FY-21 on account of the Covid impact, tariff renegotiations, weak finances of state power distribution companies and slowdown in tendering. However, with the latest initiatives by the Government including liquidity injection into discoms, implementing the direct benefit transfer (DBT) scheme in the electricity sector for better targeting of subsidies, promoting retail competition and instilling financial discipline at discoms, it is expected that the renewable sector will achieve its target capacity of 227 GW by 2022.

In addition to the renewable power sector, other areas such as power transmission, roads and highways, ports, airports etc. are also witnessing increased activity. Infrastructure sector plays a very crucial role in the economic development and possesses the potential for propelling the overall development of the country. The sector continues to enjoy focus from Government both in terms of policy related initiatives and development of infrastructure in the country. New projects are being undertaken and the Government is poised to ensure the development of the infrastructure sector of the country.

The Government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. With the Government permitting 100 per cent Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth. The introduction of Toll-Operate-Transfer (TOT) model helps the Government to monetize operational road assets by giving tolling rights on operational road projects in return for an upfront amount to the Government. The Infrastructure Investment Trust is also gaining popularity among developers to unlock the capital and de-leverage the balance sheet to explore further investment avenues. Road corridor project Bharatmala, port-linked industrialization plan Sagarmala and UDAN, Pradhan Mantri Gram Sadak Yojana will help improving transport infrastructure and bring fresh investment in the sector.

Considering the issues in the thermal sector, PFS as conservative approach, has not taken further exposure in thermal generation projects and has significantly diversified into renewable energy and in other infrastructure sectors such as roads and ports through calibrated approach. PFS is also diversifying into other infrastructure sectors like Power Transmission, Roads and Highways, Water Sewage Treatment, Waste Management Facility, Electric mobility, Electric Vehicle Charging Stations etc.

PFS believes that with infrastructure sector being the biggest focus area and also the financial support provided to the Infrastructure sector in the same will help to boost the investors' confidence in NBFC sector and will also help NBFCs to contribute to the Government's target for infrastructure development. PFS also believes that public private partnership in infrastructure development offers good potential and company continues to evaluate these business proposals in these areas.

The debt commitments and disbursements have been moderated during the year due to the ongoing issues with the NBFC sector and also because of the COVID impact which has impacted the development of new projects/ projects under construction. The power and infrastructure sector are witnessing stress and several projects in the country (both operational and under construction) are facing challenges. The Company is continuously engaged in resolution of such loans and is working proactively with the consortium members. Regular lenders' meetings are conducted, detailed feedback obtained from lenders' independent engineers and financial advisors to assess that project development activities are taken. Discussions are held with promoters and other stakeholders to work out a financially viable solution. The Company also engages consultants / professional agencies for working out effective solutions / resolutions for such cases. The Company continues to partner with credible players in the industry who can help all the stakeholders to benefit mutually. PFS believes that the infrastructure development and renewable energy area offers good potential and Company continues to evaluate these business proposals in these areas. The Company partnering with Global Green Growth Institutes (Seoul) to set up Renewable Infra Debt Fund (RIDF).

5. Net Owned Funds and Earnings Per Share (EPS)

The Net Owned Funds of the Company aggregated to ₹ 18,959.39 million and the total Capital Funds aggregated to ₹ 19,283.37 million as at 31st March 2021. The percentage of aggregate risk weighted assets on the balance sheet and the risk adjusted value of off-balance sheet items to Net Owned Funds is 24.10% as at 31st March 2021.

EPS of the Company for FY 2020-21 stands at ₹ 0.40 per share in comparison to ₹ 1.71 per share for FY 2019-20.

6. Reserves

Out of the profits earned during FY 2020-21, the Company has transferred an amount of ₹ 51.21 million to Statutory Reserve in accordance with the requirements of Section 45-IC of the Reserve Bank of India Act, 1934 and ₹ 692.83 million to the Impairment Reserve.

7. Dividend

Based on Company's performance, the Board of Directors did not recommend the dividend for the FY 2020-21.

8. Fixed Deposits/Public Deposits

Your Company has not accepted any deposits during the year from public in terms of provisions of Companies Act, 2013 ("the Act"). Further, at the end of the financial year, there were no unclaimed, unpaid or overdue deposits.

9. Capital adequacy ratio

The Capital Adequacy Ratio as on 31st March 2021 stood at 24.10% compared to 23.61% as on 31st March 2020. No adverse material changes affecting the financial position of the Company have occurred during the financial year.

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

There have 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 statements relate (i.e. 31st March 2021) and the date of the report. No adverse Material changes affecting the financial position of the Company have occurred during the Financial Year.

11. Particulars of loans, guarantees and investments under Section 186

The particulars of loans, guarantees and investments forms part to the notes of the financial statements provided in this Annual Report.

12. Share Capital/ Finance

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

As on 31st March 2021, PFS has a paid- up share capital aggregates to ₹ 6,422.83 million comprising of 642,283,335 equity shares of ₹ 10/- each fully paid- up. The promoter i.e. PTC India Limited holds 64.99% of the paid up share capital of the Company as on 31st March 2021. The equity shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

13. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March 2021 is available on the Company's website at https://www.ptcfinancial.com/upload/pdf/Form%20MGT-7%20FY%2020-21.pdf

14. Directors and Key Managerial Personnel

In accordance with provisions of the Act and Articles of Association of the Company, Dr. Pawan Singh shall retire by rotation at the ensuing AGM and beings eligible offers himself for re-appointment. The Board recommends his re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

During the financial year ended 31st March, 2021, Dr. Rajib Kumar Mishra and Dr. Nagesh Singh ceased to be the Directors with effect from 2nd June 2020 and 2nd July 2020 respectively. Dr. Ajit Kumar and Shri Rajiv Malhotra were appointed as Nominee of PTC India Ltd. on the Board of the Company w.e.f. 6th June 2020. Details of changes in the composition of Board during the period under review have been specifically mentioned in the report on the Corporate Governance which is annexed with this report.

15. Dividend Distribution Policy

As per regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has adopted the Dividend Distribution Policy to set out the parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to its shareholder.

The Dividend Distribution Policy is available on Company's website, at :-

https://www.ptcfinancial.com/upload/pdf/Dividend%20Distribution%20Policy-PFS.pdf

16. Details of Board meetings

Seven Board Meetings were held during the financial year ended on 31st March 2021. The intervening gap between any two meetings was within the period prescribed by the Act and SEBI Listing Regulations. The details of which are given below:-

Sl. No.	Date of the meeting	No. of Directors attended the meeting
1	13th June 2020	10
2	23rd June 2020	11
3	04th August 2020	10
4	29th October 2020	10
5	19th December 2020	10
6	04th February 2021	10
7	09th March 2021	10

Further, the attendance of each director is more specifically mentioned in the report on the Corporate Governance Report, which is a part of this Report.

17. Committees of Board

As on 31st March 2021, the Board had all Statutory Committees that are given below:-

1) Audit Committee
2) Nomination and Remuneration Committee
3) Corporate Social Responsibility Committee
4) Stakeholders' Relationship Committee
5) Risk Management Committee
6) IT Strategy Committee

Further, Committees of the Board and Group of Directors are formed from time to time for specific purpose.

The details of the Committees, their meetings and other disclosures are mentioned in the Corporate Governance report, which forms part of this report.

18. Corporate Social Responsibility

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

The Corporate Social Responsibility 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 objective of PFS'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, PFS shall undertake the CSR activities as specified under the Act. As on 31st March 2021 the composition of the CSR Committee consists of 1. Shri Deepak Amitabh, 2. Dr. Pawan Singh and 3. Mrs. Pravin Tripathi. The details of meetings and attendance thereof are mentioned in the Corporate Governance report, which forms part of this report.

The CSR Policy is available at the link at website of the Company, at *https://www.ptcfinancial.com/upload/pdf/corporate_social_responsibility_policy.pdf*

Further, the report on CSR Activities/ Initiatives is annexed with this report at Annexure- I.

19. 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 the Act and SEBI Listing Regulations, the Company has established a mechanism called '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 complaint has been received.

The Whistle Blower policy is available at:-

https://www.ptcfinancial.com/upload/pdf/whistle_blower_policy.pdf

20. Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 read with section 134(5) of the Act, your Directors, to the best of their knowledge confirms that:

(a) in the preparation of the annual accounts for the year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2021 and of the profit and loss of the Company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

M/s. MSKA & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company in the 13th AGM of the Company for a period of five years till conclusion of 18th AGM of the Company. Now as per the Companies (Amendment) Act, 2017, the provisions of ratification of appointment of Statutory Auditors have been done away with and there is no requirement of ratification till the expiry of the term of the Statutory Auditors.

The Statutory Auditors have audited the Accounts of the Company for the year ended 31st March 2021 and the same is being placed before members at the ensuing AGM for their approval. Audited Financial Statements (both standalone and consolidated) comprising Balance Sheet as at 31st March 2021, the Statement of Profit and Loss and the Cash Flow Statement along with a summary of significant accounting policies & other explanatory information together with Auditor's Report thereon are annexed to this report. The Auditors' Report does not contain any qualification, reservation or adverse mark.

Further, the Auditors of the Company while performing their duties as such has not found any fraud, which was required to be reported to the Board of Director or Central Government.

22. Secretarial audit

Pursuant to provisions of Section 204 of the Act and rules mentioned thereunder, the Board of Directors of the Company appointed M/s. VKC & Associates, Practicing Company Secretary, to conduct the Secretarial Audit of records and documents of the Company for the financial year 2020- 21. The Secretarial Audit Report is annexed as **Annexure-II**.

Secretarial Auditor in its report has mentioned that, as per provisions of the Companies Act, 2013, the Company has not transferred the unclaimed shares for the FY 2012-13 to Investor Education and Protection Fund Authority (IEPF Authority).

In this regard, the company has already transferred the unclaimed dividend pertaining to FY 2012-13 to IEPF and however, due to the COVID-19 pandemic the shares could not be transferred in IEPF and the process for transfer the shares related to unclaimed dividend has been initiated.

23. Related party transactions

During the financial year 2020-2021, the Company has not entered into any other related party transactions which attracts the provision of Section 188 of the Act and SEBI Listing Regulations except as per details given in schedule no. 29 of the Audited Accounts of the Company. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is available on the Company's website at the link:

https://www.ptcfinancial.com/upload/pdf/20150629_Policy_materiality_of_Related_Party_Transactions.pdf

Further, all the transactions are made in the ordinary course of business and on an arm's length basis.

Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure - III** in Form AOC-2 and the same forms part of this report.

24. Human Resources

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A holistic assessment of manpower needs led to fresh recruitment at various level. A number of individual employee specific, group of employee specific and organizational wise programs that provide focused people attention are currently underway.

Your Company's thrust is on the development of talent internally through job enlargement, rotation and development.

Your Company's thrust on development of all levels of the employee has helped your organization achieve employee's loyalty and attachment to the Company. There is a huge opportunity for all of us to learn, practice and perform. Though the expectation from the employees are realistic, each employee get to work on challenging assignments, and a chance to learn, innovate and perform. Handholding, guidance & mentoring has a special place for a young team and organization. Sharing of knowledge and learning from the experience of seniors has helped us grow steadily.

Your Company's focus of human resource development is at all levels of organization including non-executive and support staff. The human resource development is critical to implementation organizational strategy and to make organization humble and responsive to the customers need. Employees are encouraged to participate and be part of the organizational growth and development strategy. Lateral entry at different levels keeps the organization vibrant.

25. Industrial Relations

Your Company has always maintained healthy, cordial and harmonious industrial relations at all levels. Despite competition, the enthusiastic efforts of the employees have enabled the Company to grow at a steady pace.

26. Risk Management Policy

PFS has put in place a comprehensive policy framework for management of risks, which includes the followings:-

- Risk Management Policy :- The Risk Management Framework of PFS encompasses credit risk, market risk, as well as operational risk management. The Risk Management Policy, evolved under the guidance of Risk Management Committee and duly approved by Board of Directors, is refined periodically based on emerging market trends and own experience. The Risk Management Committee is headed by Independent Director.

- Asset Liability Management Policy :- The objectives of Asset Liability Management Policy are to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.
- Foreign Exchange Risk Management Policy: - The policy covers the management of foreign exchange risk related to existing and future foreign currency loans or any other foreign exchange risks derived from borrowing and lending. The objective of the policy is to serve as a guideline for transactions to be undertaken for hedging of foreign exchange related risks. It also provides guiding parameters within which the Asset Liability Management Committee can take decisions for managing the above mentioned risks.
- Interest Rate Policy :- Interest rate policy provides for risk based pricing of the debt financing by the Company. It provides the basis of pricing the debt and the manner in which it can be structured to manage credit risk, interest rate risk and liquidity risk, while remaining competitive.
- Policy for Investment of Surplus Funds :- The policy of investment of surplus funds i.e. treasury policy provides the framework for managing investment of surplus funds. Realizing that the purpose of mobilization of resources in the Company is to finance equity as well as loans to power sector projects, the prime focus is to deploy surplus funds with a view to ensure that the capital is not eroded and that surplus funds earn optimal returns.
- Operational Risk Management Policy :- The operational risk management policy recognizes the need to understand the operational risks in general and those in specific activities of the Company. Operational risk management is not understood as a process of eliminating such risk but as a systematic approach to manage such risk. It seeks to standardize the process of identifying new risks and designing appropriate controls for these risks, minimize losses and customer dissatisfaction due to possible failure in processes.

27. Employees' Stock Option Scheme

The Shareholders' approval was obtained at the Annual General Meeting held on 27th October 2008 for introduction of Employee Stock Option Plan at PTC India Financial Services Limited. All the ESOPs made under the Employees' Stock Option Scheme-2008, have been surrendered and as on date no claim is outstanding.

28. Declaration given by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct for Directors and Senior Management Personnel.

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 have confirmed that they are not required to undertake online proficiency self-assessment test conducted by the IICA, In the opinion of the Board, all Independent Directors possess strong sense of integrity and have requisite experience, qualification and expertise. For further details, please refer the Corporate Governance report.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

29. Company's policy on appointment and remuneration of Senior Management and KMPs

As per the requirements of the Act, the Board of Directors of your 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, Senior Management Personnel and other employees.

The Policy of the Company on Nomination and Remuneration & Board Diversity is also placed on the website of the Company i.e. www.ptcfinancial.com and is also annexed to this report at **Annexure- IV**.

30. Formal Annual Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by SEBI Listing Regulations.

The Company pays performance linked remuneration to its WTDs/MD. It is ensured that the remuneration is determined in a way that there exists a fine balance between fixed and incentive pay. On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The performance evaluation process and related tools are reviewed by the "Nomination & Remuneration Committee" on a need basis, and the Committee may periodically seek independent external advice in relation to the process. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

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

An Internal Complaints Committee has been constituted to look into grievance/complaints of sexual harassment lodged by employees as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, no complaints were received during the year and no complaint is pending on 31st March 2021.

32. **Internal financial controls and Internal Auditor**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Company has appointed M/s Grant Thornton India LLP as Internal Auditors of the Company. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Audit Committee has the responsibility for establishing the audit objectives and determines the nature, timing and extent of audit procedures as well as the locations where the work needs to be carried out.

The Internal Auditor monitors and evaluates the efficacy & adequacy of internal financial controls & internal control system in the Company that has been put in place to mitigate the risks faced by the organization and thereby achieves its business objective. Broadly, the objectives of the project assigned are:-

- Review the adequacy and effectiveness of the transaction controls;
- Review the operation of the Control Supervisory Mechanisms;
- Recommend improvements in processes management;
- Review the compliance with operating systems, accounting procedures and policies

The internal control and compliance are on-going process. Based on the findings and report of the internal auditor, process owners undertake corrective action that may be required in their respective areas for further strengthening the controls and control environment. Significant audit observations and corrective actions thereon are presented to the Audit Committee. The internal auditors also independently carry out the design evaluation and testing of controls related to requirements of Internal Financial Controls. The evaluation of design effectiveness and testing of controls for various business activities, processes and sub processes was carried out and found satisfactory.

33. **Cost Auditors**

The provisions of Cost Audit is not applicable to the Company.

34. **Details of Holding, Subsidiaries, Associates and Joint Ventures**

Your Company continues to be the subsidiary of PTC India Limited. Further, the Company has two associate companies namely M/s. R.S. India Wind Energy Private Limited and M/s. Varam Bio Energy Private Limited. The statement of performance and financial position of each of the associate companies is given in Form AOC-1 as **Annexure – V**.

The policy for determining material subsidiaries as approved may be accessed on the Company's website following link:

link:http://www.ptcfinancial.com/upload/pdf/20150629_Policy_on_determining_Material_Subsidiaries.pdf

35. **Corporate Governance Report**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India ("SEBI"). A separate report on Corporate Governance along with certificate from M/s. MSKA & Associates, Statutory Auditors on compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is provided as part of this Annual Report.

36. **Management Discussion and Analysis**

The Management Discussion and Analysis comprising an overview of the financial results, operations / performance and the future prospects of the Company form part of this Annual Report.

37. **Business Responsibility Report**

Pursuant to the Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective in the format as specified by the SEBI is given as **Annexure-VI**.

38. **Particulars of Employees**

The information pertaining to the remuneration and other details as required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2020-21; (₹ in lakhs)

Name of Director	Director's Remuneration	Median Remuneration of employees	Ratio
Dr Pawan Singh	111.29	23.25	4.74 times
Shri Naveen Kumar#	87.56	23.25	3.77 times

b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	%age Increase
Dr Pawan Singh	13.86%#
Shri Naveen Kumar	8.66%
Shri Sanjay Rustagi	4.17%
Shri Vishal Goyal##	-6.42%

Leave Encashment during FY 2020-21.

% decrease in compensation is due to Earned Leave Encashment availed during 2019-20.

c. The median remuneration of the employees has increased to ₹23.25 lakhs during FY2020-21 from ₹ 22.31 lakhs during FY2019-20.

d. 48 permanent employees are on the rolls of company as at 31st March 2021;

e. The average remuneration increased to ₹ 31.30 lakhs in FY 2020-21 from ₹ 27.78 lakhs in FY 2019-20.

f. The average percentile increase in the salary of employees other than the managerial personnel is from ₹ 24.07 lakhs in FY2019-20 to ₹ 27.32 lakhs in FY2020-21, resulting in an increase of 13.51%. Whereas, the average percentile increase in the managerial remuneration is from ₹ 88.72 lakhs in FY2019-20 to ₹ 98.92 lakhs in FY2020-21 resulting in increase of 11.50%.

g. The average remuneration of Key Managerial Personnel decreased to ₹ 53.22 lakhs in FY2020-21 from ₹ 54.01 lakhs in FY2019-20, resulting in decrease of -1.48%. This decrease is due to Earned Leave Encashment availed by KMPs during previous year.

A. Particulars of Top 10 employees in terms of remuneration

Sl. No.	Name & Designation	Nature of Employment	Remuneration Received (amount in ₹)	Qualification and Experience	Date of Commencement of Employment in the Company	Age	Last Employment	% of Quantity of shares held in the Company	If relative of any director or manager, name of such director or manager
1	Pawan Singh	Fixed Term	110,29,490	MBA, Ph D/ 38 years	1-Feb-12	59 yrs 6 months	Dir-F in PTC India Financial Services Limited	Nil	N.A
2	Sitesh Kumar Sinha	Regular	87,60,065	B.E & PGDBM/22 years	22-Mar-11	45 Yr 4 month	DGM - Lahmeyer International (India) Pvt Ltd	Nil	N.A
3	Naveen Kumar	Fixed Term	87,55,808	BSc (Engg); MBA & LLB/40 years	25-Sep-17	61 yrs 9 months	Executive Director (Projects) in Power Finance Corporation Limited	Nil	N.A
4	Vijay Singh Bisht	Regular	84,46,038	BE & MBA/37 years	1-Aug-08	58 Yr 2 month	DGM Power Finance Corporation Limited	Nil	N.A
5	Devesh Singh	Regular	58,24,359	B.Com & MBA/15 years	3-Oct-11	42 Yr 3 monts	Manager- PTC India Limited	Nil	N.A
6	Vishal Goyal	Regular	53,98,833	MBA; CS & LLB/16 years	1-Aug-08	40 yrs 8 months	Co Secy cum Fin Manager in International Print-O-Pac Ltd	Nil	N.A
7	Ankur Bansal	Regular	52,54,936	BE & MBA/16 years	13-Jul-18	39 Yr 5 month	Assoc. Dir - KPMG	Nil	N.A
8	Sanjay Rustagi	Regular	52,44,456	CA & ICWA/22 years	24-Jun-16	46 yrs 6 months	Asstt Controller in GE Capital services India	Nil	N.A
9	Mohit Seth	Regular	45,46,961	MBA; LLB & CS/14 years	21-Jun-10	38 Yr 3 months	Company Secretary-YAAS wholesale India Pvt Ltd	Nil	N.A
10	Ashish Nigam	Regular	45,25,416	B. Tech; MBA & CISA/24 years	12-Mar-18	50 Yr 9 month	Retainer-Grant Thornton	Nil	N.A

B. It is affirmed that:-

I. The remuneration is as per the remuneration policy of the Company; and

II. In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee of the Company employed throughout the year who was in receipt of remuneration of Rs. One crore and two lacs or more in a year except for Dr. Pawan Singh MD& CEO Further, during the year under review, there was no employee of the Company employed for a part of year who was in receipt of remuneration of Rs. Eight lacs and fifty thousand or more per month. is as under:

Name	Dr. Pawan Singh
Designation	MD & CEO
Qualification	MBA/PH.D
Nature of Employment Whether contractual or otherwise	MD &CEO
Nature of Duties of employees	Overall Managerial functions of company
Last employment held	Dir-F in PTC India Financial Services Limited
Number of years of experience	38
Age	59 year 6 months
Date of commencement of employment (at Board Level)	01.02.2012
Gross Remuneration (figures in Rs. Crore)	1.10 lacs
No. of Equity Shares held (of Rs. 10/- each)	Nil
Whether Relative of a Director or Manager	No
Other terms and conditions of Employment	-

39. Details of conservation of energy, technology absorption

Since PFS is engaged in business of investment and lending activities, particulars relating to conservation of energy and technology absorption are not applicable to it.

40. Foreign Exchange earnings & outgo

The Company has incurred expenditure of ₹ 1002.48 million (previous year ₹ 986.01 million) in foreign exchange during the financial year ended 31st March 2021.

41. Significant and material orders

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

42. Transfer of Amounts to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 22nd September 2020), with the Ministry of Corporate Affairs.

43. General

Your Directors state that no disclosure or reporting in 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; and
- Neither Managing Director nor the Whole time Directors of the Company receive any remuneration or commission from any of other Company.
- No change in the nature of the business of the Company happened during the financial year under review.
- No specific disclosures required under details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- No application was filed by/ against the Company under the Insolvency and Bankruptcy Code, 2016 during the year.

44. Compliance with Applicable Secretarial Standards

During the period under review, the Company has complied with the provisions of the Secretarial Standard - 1(Secretarial Standard on meeting of the Board of Directors) & Secretarial Standard - 2 (Secretarial Standard on General Meeting) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

45. Acknowledgement

The Board of Directors acknowledge with deep appreciation the cooperation received from its Directors, Ministry of Power (MoP), Ministry of Finance (MoF), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited (NSE), BSE Limited (BSE), PTC India Limited (PTC) and other stakeholders, International Finance Corporation (IFC), DEG, FMO and OeEB, various Banks/FIs, Consortium partners and Officials of the Company.

The Board also acknowledge with deep appreciation the cooperation received from its Directors who ceased as Director during the year.

The Board also conveys its gratitude to the shareholders, credit rating agencies for the continued trust and confidence reposed by them in the Company. Your Directors would also like to convey their gratitude to the clients and customers for their unwavering trust and support.

The Company is also thankful to the Statutory Auditor, Internal Auditor and Secretarial Auditor for their constructive suggestions and co-operation.

We would also like to place on record our appreciation for the untiring efforts and contributions made by the employees to ensure all round performance of your Company.

For and on behalf of the Board
PTC India Financial Services Limited

Sd/-
Deepak Amitabh
Chairman
DIN: 01061535

Date : 05th August 2021
Place : New Delhi

REPORT ON CORPORATE GOVERNANCE

1. **Company's philosophy on Corporate Governance**

Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and at PTC India Financial Services Limited ("PFS" or "the Company") we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business. This is demonstrated by way of shareholder returns, high credit ratings, governance processes and focused work environment. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

The Company has adopted a Code of Conduct for its employees including Directors. Apart from the performance evaluation of regular employees, PFS has formed the Performance evaluation mechanism for its Executive and Non- Executive Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). These codes are available on the Company's website. PFS has also established a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

The spirit of governance of the Company is derived from this philosophy and has been articulated through the Company's various policies. At PFS, we are committed to meet the aspirations of all our stakeholders. As a financial institution, PFS has to regularly pursue businesses that maximize returns while effectively managing the inherent risks. Decision making and execution is driven by its governance structure, ethics and value systems. Corporate Governance ensures transparency and accountability. Corporate Governance also has broader social and institutional dimensions. Properly designed rules of governance focus on implementing the values of fairness, transparency, accountability and responsibility to all the stakeholders.

The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) to Sub-Regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") with regard to Corporate Governance. PFS is committed to achieve the best standards of Corporate Governance. The Company has built up a strong foundation for making Corporate Governance a way of life by having an independent Board with experts of eminence, forming a core team of top level executives, inducting competent professionals across the organization and putting in place best systems and processes. PFS has endeavoured to not only meet regulatory and legal compliances and but adopt practices of high level of business ethics.

2. **Board of Directors**

The Board of Directors of PFS provide leadership and strategic guidance, objective judgement and exercises control over the Company, while remaining at all times accountable to the stakeholders. The Board has adopted a policy which sets out the approach to diversity of the Board of Directors. The Board functions either as a full Board or through various committees constituted to oversee specific areas. Policy formulation, setting up of goals, evaluation of performance and control functions vest with the Board. The Board also provides directions and exercises appropriate control to ensure that the Company fulfills stakeholders' aspirations and societal expectations.

a) **Composition and Category of Directors**

The Composition of the Board of the Company meets the criteria mandated by SEBI Listing Regulations and the Act. The Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors with one Woman Director, as per the requirements of Regulation 17 of SEBI Listing Regulations.

As on 31st March 2021, the Company's Board comprised of ten Directors. Out of which, 1 (one) is Managing Director & Chief Executive Officer, 1 (one) is Whole-Time Director and 8 (eight) are Non- Executive Directors including 3 (three) Non-Executive Nominee Directors, 5 (five) Independent Directors.

As on 31st March 2021, the Board strength comprises of the following:

S. No.	Name of Director	Category	Remarks
1	Shri Deepak Amitabh	Chairperson and Non- Executive Director	Nominee of PTC India Limited (Promoter Company)
2	Dr. Pawan Singh	Managing Director & Chief Executive Officer	-
3	Shri Naveen Kumar	Whole Time Director	-
4	Mrs. Pravin Tripathi	Non- Executive Independent Director	-
5	Shri Kamlesh Shivji Vikamsey	Non- Executive Independent Director	-
6	Shri Santosh Balachandran Nayar	Non- Executive Independent Director	-
7	Shri Rakesh Kacker	Non- Executive Independent Director	-
8	Shri Thomas Mathew T.	Non- Executive Independent Director	-
9	Dr. Ajit Kumar*	Non- Executive Nominee Director	Nominee of PTC India Limited (Promoter Company)
10	Shri Rajiv Malhotra*	Non- Executive Nominee Director	Nominee of PTC India Limited (Promoter Company)

* Appointed as Nominee Director of PTC India Limited w.e.f. 06th June, 2020

b) **Key skills/expertise/competence of the Directors**

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

Core skills/expertise/competencies as identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively such as leadership, management, financial expertise, governance, strategy development and implementation, knowledge of media sector, information technology, risk management, human recourses.

The details about the Skill/ Expertise/ Competence of directors is also provided in this report.

c) **Appointment of Directors**

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment as approved by the Board of Directors or shareholders, as the case may be. The Company has issued letter of appointment to all the Independent Directors and the terms and conditions of their appointment have been disclosed on the Company's website at :-

https://www.ptcfinancial.com/cms/showpage/page/corporate-governance

d) **Reasons for the resignation of an Independent Director (ID)**

During the period under review, no Independent Director has resigned.

e) **Board Meeting**

The Board meets at least once in every quarter to discuss and decide on, inter-alia, business strategies/policies and review the financial performance of the Company.

7 (seven) Board Meetings were held during the financial year ended on 31st March 2021 i.e. on 13th June 2020, 23rd June 2020, 04th August 2020, 29th October 2020, 19th December 2020, 04th February 2021 and 09th March 2021. The intervening gap between any two meetings was within the period prescribed by the Act and SEBI Listing Regulations.

f) **Attendance of Directors and Directors' Directorships/Committee memberships**

Relevant details of the Board of Directors and their Directorship(s)/ Committee Membership(s)/Chairmanship(s), as on 31st March 2021 and attendance of Directors at Board Meetings and at Annual General Meeting held during FY 2020-21 are provided below:

S. No.	Name of Director	Category of Director	Board Meetings in FY 2020-2021		Attendance at last AGM (held on 22nd September 2020	No. of Directorships in other public companies held as on 31st March, 2021	No. of Committee Membership as on 31st March 2021	No. of Committee Chairmanship as on 31st March 2021
			Held during the tenure	Attended				
1	Shri Deepak Amitabh	Chairman (Non-Executive - Nominee Director)	7	7	Y	2	-	-
2	Dr. Pawan Singh	Managing Director & CEO	7	7	Y	1	1	-
3	Shri Naveen Kumar	Whole- Time Director	7	7	Y	-	-	-
4	Mrs. Pravin Tripathi	Non-Executive - Independent Director	7	7	Y	5	4	1
5	Shri Kamlesh Shivji Vikamsey	Non-Executive - Independent Director	7	7	Y	4	3	3
6	Shri Santosh Balachandran Nayar	Non-Executive - Independent Director	7	6	Y	3	1	1
7	Shri Rakesh Kacker	Non-Executive - Independent Director	7	7	Y	2	1	-
8	Shri Thomas Mathew T.	Non-Executive - Independent Director	7	7	Y	4	4	2
9	Dr. Ajit Kumar	Non-Executive - Nominee Director	7	7	Y	3	-	-
10	Shri Rajiv Malhotra	Non-Executive - Nominee Director	7	7	Y	-	-	-
11	Dr. Rajib Kumar Mishra^	Non-Executive - Nominee Director	NA	NA	NA	NA	NA	NA
12	Dr. Nagesh Singh*	Non-Executive - Independent Director	2	2	NA	NA	NA	NA

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

^ Ceased to be the Director w.e.f 02nd June, 2020

* Ceased to be the Director w.e.f 02nd July 2020

Notes:

None of the Directors are members in more than 10 (ten) committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 (five) committees across all listed entities in which he/she is a Director. For the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered and companies including private limited companies, foreign companies and companies under Section 8 of the Act have not been considered.

g) Name of other entities in which our Directors are Director as on 31st March 2021 and their skill/ expertise/ competence are provided below:

S. No.	Name of Director	Name(s) of the other Companies in which Directorship held including membership/ Chairman of any committee (Audit and Stakeholder Relationship Committee)	Skill/ Expertise/ Competence	Category
1	Shri Deepak Amitabh	PTC India Limited (Listed Company)	Ex-IRS- Vast and rich experience in field of power sector	Non-Executive Chairman
2	Dr. Pawan Singh	PTC Energy Limited (Unlisted Company) 1. Audit Committee (Member)	Vast experience in Management, Power Sector & Infra Finance.	Managing Director & Chief Executive Officer
3	Shri Naveen Kumar	-	Vast and rich experience in field of power sector	Whole Time Director
4	Mrs. Pravin Tripathi	1. JBM Auto Limited (Listed Company) (Member- Audit Committee; Stakeholder Relationship Committee) 2. Minda Industries Limited (Listed Company) (Chairperson- Audit Committee) 3. Multi Commodity Exchange of India Limited (Listed Company) (Member- Audit Committee) 4. Jay Bharat Maruti Limited (Listed Company) 5. Terracis Technologies Limited (Unlisted Company) (Member- Audit Committee) 6. DSP Trustee Pvt. Limited (Unlisted Company)	IA&AS of 1973 Batch (retired). Former, Deputy Comptroller & Auditor General of India	Independent Director
5	Shri Kamlesh Shivji Vikamsey	1. Navneet Education Limited (Listed Company) 2. Man Infraconstruction Limited (Listed Company) (Chairman – Audit Committee) 3. Tribhovandas Bhimji Zaveri Limited (Listed Company) (Chairman – Audit Committee) 4. Apcotex Industries Limited (Listed Company) (Chairman – Audit Committee)	Vast experience in Accounting and Finance, Taxation, Corporate and Advisory services.	Independent Director
6	Shri Santosh Balachandran Nayar	1. Bajaj Energy Limited (Unlisted Company) 2. Mytrah Energy (India) Private Limited (Unlisted Company) (Chairman- Audit Committee) 3. Feedback Infra Private Limited (Unlisted Company) (Member- Audit Committee) 4. Reliance Nippon Life Insurance Company Limited (Unlisted Company) (Member- Board Audit & Compliance Committee) 5. Adhunik Power & Natural Resources Limited (Unlisted Company)	Vast and rich experience in field of finance and banking sector including international & investment banking.	Independent Director
7	Shri Rakesh Kacker	1. PTC India Limited (Listed Company) 2. Planetcast Media Services Limited (Unlisted Company) (Member- Audit Committee)	IAS (Retd.), Ex Secretary to the Govt. of India. Vast and rich experience in field of Finance/ Administration.	Independent Director
8	Shri Thomas Mathew T.	1. L & T Finance Holdings Limited 2. L &T Infra Debt Fund Limited 3. Canara HSBC Oriental Bank Of Commerce life Insurance Company Limited 4. L&T Infrastructure Finance Company Limited	Vast and Rich Experience in the Insurance Sector and Infrastructure Sector	Independent Director

S. No.	Name of Director	Name(s) of the other Companies in which Directorship held including membership/ Chairman of any committee (Audit and Stakeholder Relationship Committee)	Skill/ Expertise/ Competence	Category
9	Dr. Ajit Kumar	PTC India Limited (Listed Company) Teesta Urja Limited (Unlisted Company) Pran Urja Solutions Limited (Unlisted Company)	WTD- PTC and vast and rich experience in field of power sector	Nominee Director
10	Shri Rajiv Malhotra	-	ED & Gr. CRO-PTC and vast and rich experience in field of power sector	Nominee Director

h) Changes in Directorship of the Company during the financial year 2020-21

During the financial year 2020-21, there are following changes took place in the composition of Board of Directors of the Company:

S. No.	Name of Director	Appointment/ Cessation	Date of Joining/ Cessation
1	Dr. Rajib Kumar Mishra (Nominee Director)	Cessation	02nd June 2020
2	Dr. Ajit Kumar (Nominee Director)	Appointment	06th June 2020
3	Shri Rajiv Malhotra (Nominee Director)	Appointment	06th June 2020
4	Shri Rakesh Kacker	Change in Designation from Nominee Director to Independent Director	23rd June 2020
5	Dr. Nagesh Singh (Independent Director)	Cessation	02nd July 2020

i) None of the Directors of the Company are in any way related to each other.

j) Detail of shareholding of Non- Executive Directors in the Company as on 31st March 2021 are as under:

As on 31st March 2021, except Shri Deepak Amitabh holder of 3,500 equity shares of the Company, none of the Non – Executive Directors holds any shares/ convertible instruments of the Company.

k) Independent Directors

The Company has received necessary declaration from each independent Director under Section 149 of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act along with rules framed thereunder and Regulation 16(b) & 25 of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence.

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 exempted and not required to undertake online proficiency self-assessment test conducted by the IICA. The Board is also of the opinion that the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management.

l) Familiarisation programme for independent directors

The Familiarization Programme for Independent Directors aims to help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/ her to effectively discharge his/ her role as a Director of the Company. The Independent Directors have complete access to the information within the Company.

Web link to the program is given below:

https://www.ptcfinancial.com/upload/pdf/2015062_FAMILIARISATION_PROGRAMME_MODULE.pdf

All independent directors inducted into the Board attended an orientation program organised by the Company from time to time. Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities. The terms and conditions of appointment of Independent Directors is available on the Company's website www.ptcfinancial.com.

m) Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and the SEBI Listing Regulations, one separate meeting of the Independent Directors of the Company were held on 11th December 2020 during the year 2020-21 without the attendance of non-independent directors and members of management to:

i. review the performance of non-independent directors and the Board as a whole;

ii. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

iii. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The results of the above evaluation, assessment etc. were found satisfactory to the Independent Directors.

n) Availability of information to Board Members

The required information, including information as enumerated in regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations is made available to the Board of Directors, for discussion and consideration at the Board Meetings. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the meetings.

o) **Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI Listing Regulations.

The Company pays performance linked remuneration to its Whole Time Directors/Managing Director. It is ensured that the remuneration is determined in a way that there exists a fine balance between fixed and incentive pay. On the basis of Policy for Performance Evaluation of Independent Directors, a process of evaluation is being followed by the Board for its own performance and that of its Committees and individual Directors. The performance evaluation process and related tools are reviewed by the "Nomination & Remuneration Committee" on a need basis, and the Committee may periodically seek independent external advice in relation to the process. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors including Independent Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The results of the above evaluations, assessment etc. were found satisfactory to the Board of Directors.

p) The Board annually reviews compliance reports of all laws applicable to the Company, prepared by the Company.

q) **Code of Conduct**

In compliance with the SEBI Listing Regulations and the Act, a code of conduct for Board Members and Senior Officials is in place. It is a comprehensive code applicable to all Directors and Members of Senior Management of the Company. It is in alignment with Company's vision and values to achieve the Mission and Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the code of conduct is available on the website of the Company at:-

https://www.ptcfinancial.com/upload/pdf/pfs-code-of-conduct.pdf

Based on affirmation received from Board members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Managing Director and CEO is below:

Declaration

All the Board members and Senior Management Personnel have affirmed compliance of Code of Conduct for financial year ended on 31st March 2021.

The declaration by the Managing Director & Chief Executive Officer of the Company, under the Schedule V of the SEBI Listing Regulations, affirming compliance with the Code of Conduct by all the Board members and senior managerial personnel for the year ended 31st March 2021 is published in this report.

r) **Code for Prevention of Insider Trading**

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a comprehensive Code for Prevention of Insider Trading to preserve the confidentiality and to prevent misuse of unpublished price sensitive information. Every Director, officer and designated employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company and not to misuse his or her position or information regarding the Company to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and the consequences of non-compliance. In line with the requirement of Code for Prevention of Insider Trading, trading window was closed from time to time, whenever some price sensitive information was submitted to the Board and other Committees of Directors. Notice of closure of trading window was issued to all the employees well in advance to concerned designated persons/insiders and their immediate relatives, restraining them not to deal in the shares of the Company when the window is closed.

The code has been intimated to Stock Exchanges where the shares of the Company are listed and has also been duly published on the website of the Company (www.ptcfinancial.com) as prescribed by SEBI.

3. Committees of the Board of Directors

The Board has constituted many functional Committees depending on the business needs and legal requirements. As on 31st March 2021, the committees constituted by the Board are as follows:

A. Audit Committee;

B. Nomination and Remuneration Committee;

C. Corporate Social Responsibility Committee;

D. Stakeholder Relationship Committee;

E. Risk Management Committee; and

F. IT Strategy Committee.

In addition to above committees, Board, from time to time, for specific purposes constitute Group of Directors as may be required.

The Board functions either as a full Board or through various Committees constituted to oversee specific areas. The Board of Directors and its Committees meet at regular intervals.

A. Audit Committee

The constitution, role and terms of reference of the Audit Committee of Directors of the Company are in conformity with the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, with all members being financially literate and most having accounting or related financial management expertise.

Terms of Reference

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

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   I. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

   II. Changes, if any, in accounting policies and practices and reasons for the same;

   III. Major accounting entries involving estimates based on the exercise of judgment by management;

   IV. Significant adjustments made in the financial statements arising out of audit findings;

   V. Compliance with listing and other legal requirements relating to financial statements;

   VI. Disclosure of any related party transactions;

   VII. Modified opinions in the draft audit report;

e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

h) Approval or any subsequent modification of transactions of the Company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuation of undertakings or assets of the Company, wherever it is necessary;

k) Evaluation of internal financial controls and risk management systems;

l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n) Discussion with internal auditors of any significant findings and follow up there on;

o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r) To review the functioning of the Whistle Blower mechanism;

s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

u) Reviewing the utilization of loans/advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

The Audit Committee shall also mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses; and

e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

f) Statement of deviations:

   a. quarterly statement of deviation (s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1).

   b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32 (7).

Composition

Presently, the Committee is chaired by Shri Kamlesh Shivji Vikamsey, Non-Executive Independent Director. The composition of Audit Committee during the financial year ended 31st March 2021 and meeting attended by the members are as follows:

Sr. No.	Name of Member	Designation	Status	No. of meetings held	No. of meetings attended
1.	Shri Kamlesh Shivji Vikamsey	Non-Executive Independent Director	Chairperson	7	7
2.	Mrs. Pravin Tripathi	Non-Executive Independent Director	Member	7	7
3.	Shri Rajiv Malhotra&	Non-Executive Nominee Director	Member	6	6
4.	Dr. Rajib K. Mishra*	Nominee Director	Member	1	1
5.	Dr. Nagesh Singh^	Independent Director	Member	3	3

& Appointed as member w.e.f. 06th June, 2020
* Ceased to be the member w.e.f. 02nd June, 2020
^ Ceased to be the member w.e.f. 02nd July, 2020.

The meetings of the Audit Committee are also attended by the Managing Director & Chief Executive Officer (CEO), Director (Operations), Chief Financial Officer (CFO), Internal Auditors and Statutory Auditors as special invitees as required. The Company Secretary acts as Secretary to the Committee.

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2021, Audit Committee met seven (7) times i.e. 22nd May 2020, 12th June 2020, 18th June 2020, 03rd August 2020, 29th October 2020, 03rd February 2021 and 23rd March 2021. The necessary quorum was present for all the meetings. The maximum interval between any two meetings was within the maximum allowed gap of 120 days.

The Chairperson of the Audit Committee was present at the last Annual General Meeting held on 22nd September 2020 to answer the queries of the shareholders.

B. Nomination and Remuneration Committee

The Board originally constituted Nomination cum Remuneration Committee on 5th August 2008 and subsequently renamed it to its present name on 30th April 2014 pursuant to the provisions of Section 178 of the Act and the provisions of Regulation 19 of the SEBI Listing Regulations. It has been constituted for the purpose of ensuring 'fit and proper' status of proposed/ existing Directors of the Company in terms of RBI guidelines, the Act and SEBI Listing Regulations.

Terms of reference

The broad terms of reference of the nomination and remuneration committee are as under:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

Composition

The composition of the Nomination and Remuneration is as per Section 178 of the Act and Regulation 19 of SEBI Listing Regulations. The composition of Nomination and Remuneration Committee during the financial year ended 31st March 2021 and meeting attended by the members are as follows:

Sr. No.	Name of Committee Member	Designation	Status	No. of meetings held	No. of meetings attended
1	Shri Santosh Balachandran Nayar	Non-Executive-Independent Director	Chairperson	3	3
2	Shri Deepak Amitabh	Non-Executive-Nominee Director	Member	3	3
3	Mrs. Pravin Tripathi	Non-Executive-Independent Director	Member	3	3
4	Shri Ajit Kumar	Non-Executive-Nominee Director	Member	3	3
5	Shri Kamlesh Shivji Vikamsey*	Non-Executive-Independent Director	Member	1	1
6	Shri Rakesh Kacker*	Non-Executive-Independent Director	Member	1	1
7	Dr. Rajib Kumar Mishra^	Non-Executive-Nominee Director	Member	-	-

*Ceased to be the member w.e.f 23rd June 2020
^ Ceased to be member w.e.f. 02nd June 2020

Shri Vishal Goyal, Company Secretary acts as the Secretary to the Committee. The Committee meets as per the requirement.

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2021, the Nomination and Remuneration Committee met three (3) times i.e. on 20th June 2020, 10th July 2020 and 09th March 2021.

Performance Evaluation Criteria for all the Directors

The performance evaluation criteria for all directors (including Independent Directors) are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

Remuneration of Directors

The Chairman is not paid any remuneration by the Company and the remuneration of Whole Time Directors is fixed component.

The non-executive Directors in PFS are entitled/ paid sitting fee of an amount of ₹ 40,000/- per Board and Committee meeting(s) during the financial year ended 31st March, 2021 as decided by the Board of Directors in their meeting held on 31st January, 2015.

Scope and terms of reference

The scope and terms of reference of the Nomination and Remuneration Committee are in line with the SEBI Listing Regulations, provisions of the Act and any guidelines / circulars issued by the Reserve Bank of India and include determining on behalf of the Board and the shareholders of the Company, the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

The remuneration paid to Managing Director & CEO and Whole-Time Directors during the financial year ended 31st March 2021 is as under:

A. Executive Directors

Sr. No.	Director	Designation	Remuneration
1.	Dr. Pawan Singh	Managing Director & CEO	₹ 116.09 Lakhs
2.	Shri Naveen Kumar	Whole- Time Director	₹ 93.62 lakhs

Presently, the Company does not have a scheme for grant of stock options to any director. The CTC structure of the Company including for management is mix of fixed and performance linked. No sitting fee has been paid to the Executive Directors during the financial year ended 31st March 2021.

None of the above Directors is holding any stock options.

B. Details of payments made towards sitting fee to the Non-Executive Directors for Board/Committee Meetings during FY 2020-2021

The Independent directors and Non- Executive Directors are paid remuneration by way of sitting fees for each meeting of the Board and Committee of directors attended by them.

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

However, the sitting fees are subject to ceiling/limits as provided under the Act and rules made thereunder or any other enactment for the time being in force. The criteria of making payment to non - executive directors is disclosed in the Nomination and Remuneration Policy of the Company which is given at one of the Annexure to the Board's Report and is also disclosed on the website of the Company at:-

http://www.ptcfinancial.com/upload/pdf/nomination_and_remuneratin_board_diversity_policy.pdf

The details of payments made to non-executive directors during the financial year ended 31st March 2021 are as under:

S. No.	Name of Director	Sitting Fee (excluding TDS) (₹ In millions)
1	Shri. Deepak Amitabh	0.48
2	Dr. Rajib Kumar Mishra	0.04
3	Dr. Ajit Kumar	0.6
4	Shri Rajiv Malhotra	1.08
5	Mrs. Pravin Tripathi	0.84
6	Shri Kamlesh Shivji Vikamsey	1.8
7	Shri Santosh B. Nayar	0.72
8	Dr. Nagesh Singh	0.32
9	Shri Rakesh Kacker	0.84
10	Shri Thomas Mathew T.	0.6

Note: - The sitting fee for attending the meetings by the nominee of Promoters are paid to the Promoter Company (i.e. PTC India Limited)

C. Corporate Social Responsibility (CSR) Committee

In compliance with the provisions of Section 135 of the Act, a Corporate Social Responsibility Committee has been constituted by the Company.

Terms of reference

The Corporate Social Responsibility Committee shall, inter-alia:

a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013;

b. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

c. Monitor the Corporate Social Responsibility Policy of the company from time-to-time.

Composition

The composition of CSR Committee during the financial year ended 31st March 2021 and meeting attended by the members are as follows:

Sl. No.	Name of Director	Designation	Status	No. of meetings held	No. of meetings attended
1	Shri Deepak Amitabh	Non- Executive Nominee Director	Chairman	2	2
2	Dr. Pawan Singh	Managing Director & CEO	Member	2	2
3	Mrs. Pravin Tripathi	Non-Executive-Independent Director	Member	2	2
4	Dr. Nagesh Singh*	Non-Executive-Independent Director	Member	-	-

*Ceased to be the member w.e.f 02nd July, 2020.

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2021, the CSR Committee met two (2) times i.e. on 07th August 2020 and 24th March 2021.

To attain its CSR objectives in a professional and integrated manner, the Company shall undertake the CSR activities as specified under the Act. The CSR Committee has approved a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company presently, which has also been approved by the Board and the same has been disclosed on the website of the Company *i.e. www.ptcfinancial.com*. Further, the report on CSR Activities/ Initiatives is annexed with the Annual Report.

D. Stakeholders' Relationship Committee

In compliance with the Regulation 20 of the SEBI Listing Regulations and provisions of Section 178 of Act, the Company has a Stakeholders' Relationship Committee. The Stakeholders Relationship Committee of the Board consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, and non-receipt of declared dividends.

Terms of Reference

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

Composition

The composition of the Committee during the financial year ended 31st March 2021 and meetings attended by the members are as follows is as follows:

Sl. No.	Name of Member	Designation	Status	No. of meetings held	No. of meetings attended
1	Mrs. Pravin Tripathi	Non-Executive-Independent Director	Chairperson	1	1
2	Shri Kamlesh Shivji Vikamsey	Non-Executive-Independent Director	Member	1	1
3	Shri Thomas Mathew T.	Non-Executive-Independent Director	Member	1	1
4	Shri Rajiv Malhotra	Non-Executive-Nominee Director	Member	1	1

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2021, the Stakeholder Relationship Committee met once on 25th March 2021.

The Committee is chaired by Mrs. Pravin Tripathi, Non – Executive Independent Director and meets as per the requirement. The Chairman of the Committee also attended the last Annual General Meeting of the Company held on 22nd September 2020.

Name & Designation of Compliance Officer

Shri Vishal Goyal, Company Secretary is designated and act as the Compliance Officer of the Committee.

Details of Investor Complaints received and resolved during the year

Status of complaints from investors for the financial year ended 31st March 2021 are as follows:-

Sl. No.	Type of Investor	No. of complaints pending at the beginning of the year	No. of Complaints received during year	No. of Complaints pending as at the end of year
1.	Equity shareholders	-	43	-
2.	Bondholders	-	712	-

All the complaints have been resolved to the satisfaction of the shareholders/bondholders.

E. Risk Management Committee

The Risk Management Committee was constituted by Board on 7th July, 2009.

Terms of reference

The Risk Management Committee has been constituted under Risk Management Policy of the Company for the purpose of reviewing risk management in relation to various risks, namely, market risk, credit risk and operational risk.

Composition

The composition of Risk Management Committee during the financial year ended 31st March 2021 and meeting attended by the members are as follows:

Sl. No.	Name of Director	Designation	Status	No. of meetings held	No. of meetings attended
1	Shri Rakesh Kacker	Non -executive-Independent Director	Chairperson	8	8
2	Dr. Pawan Singh	Managing Director & CEO	Member	8	8
3	Shri Santosh Balachandran Nayar	Non -executive-Independent Director	Member	8	8
4	Shri Rajiv Malhotra*	Non -executive-Nominee Director	Member	6	6
5	Shri Naveen Kumar^	Whole Time Director	Member	3	3
6	Shri Kamlesh S. Vikamsey^	Independent Director	Member	3	3
7	Dr. Nagesh Singh@	Independent Director	Member	3	3
8	Shri Thomas Mathew T^	Independent Director	Member	3	3

*Appointed as the member w.e.f. 13th June, 2020
^ Ceased to be the member w.e.f. 23rd June, 2020
@ Ceased to be the member w.e.f. 02nd July, 2020

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2021, Risk Management Committee met eight (8) times i.e. on 21st April 2020, 27th April 2020, 20th June 2020, 31st July 2020, 29th August 2020, 07th October 2020, 27th October 2020 and 18th January 2021.

F. IT Strategy Committee

The IT Strategy Committee was constituted by Board on 25th June 2018.

Terms of reference

The IT Strategy Committee is constituted in accordance with the RBI Master Direction – Information Technology Framework for the NBFC Sector on 8th June, 2017.

Composition

The composition of IT Strategy Committee during the financial year ended 31st March 2021 and meeting attended by the members are as follows:

Sl. No.	Name of the Director	Designation	Status	No. of meetings held	No. of meetings attended
1	Shri Thomas Mathew T.	Non -executive-Independent Director	Chairperson	3	3
2	Shri Kamlesh Shivji Vikamsey	Non -executive-Independent Director	Member	3	3
3	Shri Rajiv Malhotra	Non -executive-Nominee Director	Member	3	3
4	Shri Naveen Kumar	Whole Time Director	Member	3	3

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2021, the IT Strategy Committee met three (3) times on 24th July 2020, 19th October 2020 and 05th February 2021 respectively.

4. General Body Meeting (s)

a) Details of last three Annual General Meetings ("AGM") are as under

Year ended	AGM	Date	Day	Time	Location	Special Resolutions
31st March 2020	14th AGM	22nd September 2020	Tuesday	11: 00 A.M.	Through Video Conferencing (VC)	Nil
31st March 2019	13th AGM	30th September, 2019	Monday	10 : 30 A.M.	Dr. SRKV Auditorium, Kendriya Vidyalaya No.2, APS Colony, Gurgaon Road, Delhi Cantt., New Delhi-110010	Two: 1. To appoint M/s. MSKA & Associates, Chartered Accountants as Statutory Auditors and to fix their remuneration; 2. To re-appoint Mrs. Pravin Tripathi (DIN: 06913463) as an Independent Director of the Company
31st March 2018	12th AGM	20th September, 2018	Thursday	10 : 30 A.M.	Dr. SRKV Auditorium, Kendriya Vidyalaya No.2, APS Colony, Gurgaon Road, Delhi Cantt., New Delhi-110010	One 1. Issuance of Non-Convertible Debentures on private placement basis.

No Extra-Ordinary General Meeting(s) were held during last three years.

b) Special Resolutions passed last year through Postal Ballot – details of voting pattern

During the year ended 31st March 2021, no Special Resolutions were passed through Postal Ballot.

c) Special Resolution proposed to be conducted through Postal Ballot

As on the date of this report, no special resolutions proposed to be conducted through Postal Ballot.

5. Subsidiary Companies

The Company does not have any subsidiary company.

6. Holding Company

PTC India Limited holding 64.99% of the paid - up equity share capital of the Company, is the holding company of PFS.

7. Means of Communication & Website

PFS recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes continuous, efficient and relevant communication to all external constituencies. Quarterly/ annual financial results are usually published in financial and national newspapers like Financial Express / Business Standard in English and Jansatta in Hindi.

The same are also available on the website of the Company, viz. www.ptcfinancial.com and have also been submitted to stock exchanges as per requirement of the SEBI Listing Regulations. The Company also communicates with its institutional shareholders through investor conferences.

All important information pertaining to the Company is also mentioned in the Annual Report of the Company containing inter-alia audited financial statements, Directors' report, Auditors' report, report on Corporate Governance which is circulated to the members and others entitled thereto for each financial year and is displayed on the Company's website at *www.ptcfinancial.com*. Further, official news releases have also been posted on the website of the Company and presentations are made to institutional investors and analysts on the Company's audited annual financial results.

8. General Shareholder information

i. Annual General Meeting for FY 2021

Date	Time	Venue
24th September, 2021	11:00 a.m.	Meeting is being conducted through video-conferencing pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM.

For details please refer to the notice of the AGM

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards 2, particulars of Director seeking re-appointment at the ensuing AGM are given in the Explanatory Statement annexed to the Notice of the AGM.

ii. Financial calendar

A. Financial year ended on 31st March 2021

Particulars	Date
Financial year	1st April 2020 to 31st March 2021
Un-audited financial results for the first three quarters	Un-audited financial results for the first quarter ended on 30th June 2020 were announced on 04th August 2020. Un-audited financial results for the second quarter and half year ended on 30th September 2020 were announced on 29th October 2020. Un-audited financial results for third quarter ended on 31st December 2020 were announced 04th February 2021.
Annual Financial Results	Audited financial results for quarter and financial year ended 31st March 2021 were announced on 9th June 2021.

B. Tentative Financial calendar for year ending on 31st March 2022

Particulars	Date
Un-audited financial results for the first three quarters	Un-audited financial results for the first, second and third quarter will be announced and published within 45 days from the end of respective quarter.
Annual Financial Results	Audited financial results Will be announced and published within 60 days from the end of the Financial Year

iii. Payment of Dividend

a. Dividend Distribution Policy

The Company has adopted Dividend Distribution Policy to set out the parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to its shareholder. The Dividend Distribution Policy is enclosed to the Board Report and is also available on Company's website at:

http://www.ptcfinancial.com/upload/pdf/Dividend%20Distribution%20Policy-PFS.pdf

b. Final Dividend details for financial year 2020-21

The Board has not recommended any dividend for FY 2020-21.

c. Dividend History for the last five years

Sr. No.	Financial Year	Total Paid up Capital in ₹	Rate of Dividend (%)
1	2019-20	6,422,833,350	4.5%
2	2018-19	6,422,833,350	8%
3	2017-18	6,422,833,350	2%
4	2016-17	6,422,833,350	15%
5	2015-16	5,620,833,350	12%

d. Pay-out date for payment of Final Dividend

Not Applicable

iv. Listing of Stock Exchanges and Stock Codes

PFS equity shares are listed on the following stock exchanges:

Sr. No.	Name of the Stock Exchange	Address of the Stock Exchange	Stock Code	ISIN No.
1	National Stock Exchange of India Limited ("NSE")	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	PFS	INE560K01014
2	BSE Limited ("BSE")	Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001	533344	

No securities of the Company are suspended.

v. Listing Fee

The annual listing fee for FY 2020-21 and 2021-22 (as applicable) has been paid by the Company to NSE and BSE. Further, the Company has also paid the Annual Custody Fee to National Securities Depository Limited ("NSDL") and Central Depository Services Limited ("CDSL").

vi. Infrastructure Bonds

PFS has also issued Non- Convertible Debenture ("NCD"), Infrastructure Bonds and Commercial Papers carrying the following ISIN codes as on 31st March 2021:

Sr. No.	Name	ISIN Code
1	NCD Series 3	INE560K07037
2	NCD Series 4	INE560K07128
3	NCD Series 5	INE560K07136
4	Infra Bond series 2 (option I)	INE560K07086
5	Infra Bond series 2 (option II)	INE560K07094
6	Infra Bond series 2 (option III)	INE560K07102
7	Infra Bond series 2 (option IV)	INE560K07110
8	Commercial Paper	INE560K14AQ3

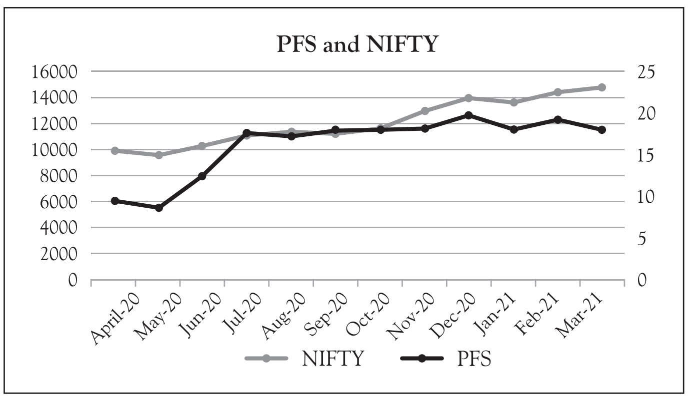
vii. Market Price Data

High, Low (based on daily closing prices) and number of equity shares traded during each month in FY 2021 on NSE and BSE:

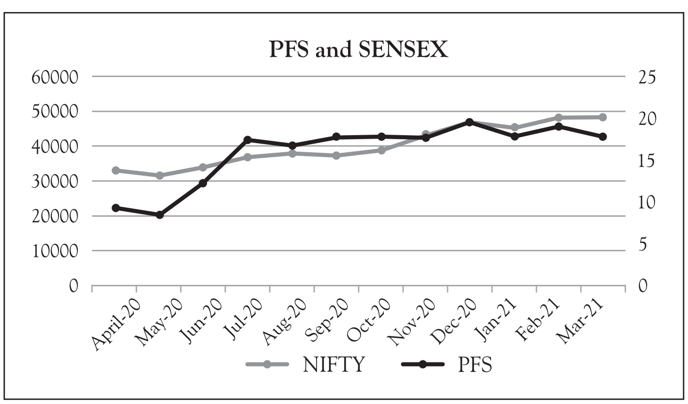
Month	NSE				BSE			
	Open (₹)	High (₹)	Low (₹)	Close (₹)	Open (₹)	High (₹)	Low (₹)	Close (₹)
Apr-20	7.80	10.60	7.80	9.60	7.94	10.60	7.90	9.62
May-20	9.20	9.30	8.10	8.55	9.51	9.51	8.30	8.54
Jun-20	8.70	14.90	8.65	12.55	8.64	14.80	8.61	12.57
Jul-20	12.65	18.00	12.55	17.65	12.61	18.10	12.61	17.66
Aug-20	18.25	20.50	16.35	17.25	18.45	20.50	16.65	17.20
Sep-20	17.25	18.90	16.10	18.00	17.15	18.70	16.40	18.10
Oct-20	18.10	20.75	17.75	18.10	18.20	20.70	17.70	18.15
Nov-20	18.35	19.00	16.90	18.05	18.10	19.00	17.00	18.05
Dec-20	18.15	24.25	17.75	19.80	17.75	24.30	17.75	19.85
Jan-21	19.85	21.40	17.55	18.10	20.00	21.45	17.70	18.05
Feb-21	18.20	20.60	17.80	19.20	18.05	20.60	17.85	19.20
March-21	19.35	23.85	17.60	18.05	19.55	23.90	17.60	18.10

viii. Performance in comparison to indices

a. PFS and Nifty Comparison



b. PFS and SENSEX Comparison



ix. Registrar and Transfer Agents

For Equity and Infrastructure Bonds

Name	Kfin Technologies Private Limited
Registered Office Communication Address	Kfin Technologies Private Limited KFin Technologies Pvt. Ltd. Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana. Toll free number - 1- 800-309-4001
E-mail	einward.ris@kfintech.com
Website	https://www.kfintech.com and / or https://ris.kfintech.com/

Members are requested to note that, our Registrar and Share Transfer Agents have launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our investors. Now you can download the mobile app and see your portfolios serviced by KFINTECH. Check Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM".

x. Share Transfer System

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 01st April, 2019 unless the securities are held in dematerialized form with the depositories. All such requests are handled and disposed off by Company's Registrar & Share Transfer Agent i.e. Kfin Technologies Private Limited within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

Further pursuant to Regulation 40(9) of SEBI Listing Regulations, certificate on half yearly basis confirming the due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

As per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit Report, confirming that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, was obtained from practicing company secretary and submitted to the stock exchanges with in stipulated time.

xi. **Distribution of shareholding**

➢ **Distribution by size**

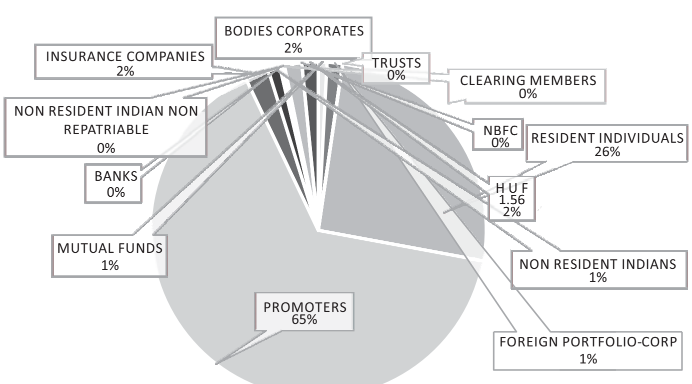
PTC INDIA FINANCIAL SERVICES LTD					
Distribution Schedule - Consolidated as on 31st March, 2021					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
100001& Above	2,590	2.187666	54,51,92,013	5,45,19,20,130	84.883413
50001 - 100000	3,152	2.662365	2,36,54,605	23,65,46,050	3.682893
40001 - 50000	2,055	1.735774	98,82,956	9,88,29,560	1.538722
30001 - 40000	2,182	1.843046	79,66,359	7,96,63,590	1.240318
20001 - 30000	4,194	3.542499	1,10,35,204	11,03,52,040	1.718121
10001 - 20000	10,233	8.643394	1,64,08,506	16,40,85,060	2.554715
5001 - 10000	16,601	14.022181	1,43,70,705	14,37,07,050	2.237440
1 - 5000	77,384	65.363077	1,37,72,987	13,77,29,870	2.144379
Total	1,18,391	100.00	64,22,83,335	6,42,28,33,350	100.00

Nominal Value of each Share is ₹10/-

➢ **Distribution by Category**

Sr. No.	Description	No. of Cases	Total Shares	% Equity
1	Mutual Funds	1	53,95,362	0.84
2	Foreign Portfolio - Corp	20	94,36,327	1.47
3	Trusts	6	20,171	0.00
4	Resident Individuals	103032	164377332	25.59
5	Promoters	1	41,74,50,001	64.99
6	Insurance Companies	2	1,46,82,595	2.29
7	Non Resident Indians	1125	72,90,204	1.14
8	Clearing Members	101	11,02,854	0.17
9	Banks	1	37,660	0.01
10	Non Resident Indian Non Repatriable	496	17,51,598	0.27
11	Bodies Corporates	444	1,06,84,491	1.66
12	NBFC	1	3,500	0.00
13	H U F	3138	10051240	1.56
	Total:	**108368**	**642283335**	**100.00**

➢ **Graphical Representation of Shareholding Pattern of the company on the basis of distribution by category as on 31st March 2021**



xii. **Dematerialization of shares**

Through Kfin Technologies Private Limited, Registrar and Share Transfer Agent, the Company has established connectivity with both NSDL and CDSL. Under the Depository System, the International Securities Identification Number ("ISIN") allotted to our shares under the Depository System is INE560K01014.

As on 31st March 2021, 99.99% of our shares were held in dematerialized form and the rest in physical form. Details of shares held in dematerialised and physical mode as on 31st March 2021 are as under:

Category	Number of		% of total equity
	Shareholders	Shares	
Dematerialised mode			
• NSDL	61,395	567,180,236	88.31
• CDSL	49,978	75,073,573	11.69
Total	**111,373**	**642,253,809**	**100.00**
Physical	7,018	29,526	0.00
Grand Total	**1,18,391**	**64,2283,335**	**100.00**

xiii. **Shares Liquidity**

The trading volumes at the Stock Exchanges (i.e. NSE and BSE), during the financial year 2020-21, are given below:

Months	NSE	BSE
	Number of Shares Traded	Number of Shares Traded
Apr-20	10,318,931	1,486,405
May-20	7,467,524	731,052
Jun-20	42,038,216	5,536,744
Jul-20	45,483,972	6,155,772
Aug-20	37,208,729	5,232,822
Sep-20	21,589,153	2,662,193
Oct-20	19,210,720	2,185,752
Nov-20	10,825,985	1,425,835
Dec-20	47,492,147	4,993,175
Jan-21	16,990,658	2,541,261
Feb-21	23,276,644	2,977,895
March-21	46,836,469	5,480,419

xiv. **Outstanding GDRs or ADRs or Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs, ADRs, Warrants or any convertible instruments.

xv. **Commodity price risk or Foreign Exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be provided.

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the

Company. The aim of the Company's approach to manage currency risk is to leave the Company with no material residual risk. The Company uses forward exchange contract to hedge against its foreign currency exposures relating to firm commitment. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks. The Company does not enter into any derivative instruments for trading or speculative purposes.

xvi. Plant locations

The Company does not have any plant. However, the Company is having 6MW Wind Turbine Generators at Kunduru Village, Davangere District, Karnataka.

xvii. Address and Details for correspondence

Mr. Vishal Goyal
Company Secretary and Compliance Officer
PTC India Financial Services Limited
7th Floor, Telephone Exchange Building
8, Bhikaji Cama Place, New Delhi – 110066
Tel. : +91 11- 26737300
Fax: + 91 11- 26737373
Email: info@ptcfinancial.com
Website: www.ptcfinancial.com

xviii. Credit Ratings

List of credit ratings obtained along with revisions during the FY 2020-21

	CRISIL	ICRA	CARE
NCD/Bonds	CRISIL A+ / Stable	ICRA A+/ Stable	CARE A+/ Stable
Long Term Loan	CRISIL A+ / Stable	ICRA A+/ Stable	CARE A+/ Stable
Short Term Loan	-	ICRA A1+	CARE A1+
Commercial Paper	CRISIL A1+	-	-

9. Corporate Identity Number

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L65999DL2006PLC153373.

10. CEO and CFO Certification

The certificate required under Regulation 17(8) of the SEBI Listing Regulations, duly signed by Managing Director & CEO and CFO was placed before the Board. The same is annexed as **Annexure VII** to this annual report.

11. Compliance Certificate on Corporate Governance

In terms of Regulation 34 of the SEBI Listing Regulations, 2015, the Certificate on Corporate Governance issued by practicing company secretary is annexed to this report.

12. Other Disclosures

A. Materially Significant Related Party Transactions and Policy thereto

All transactions entered into by the Company during the financial year with the related parties are in compliance with the applicable provisions of the Act and SEBI Listing Regulations and do not have potential conflicts with the interest of the Company. Further, the details of related party transactions are presented in Note number 29 forming part of the financial statements. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy for determining Materially Significant Related Party Transactions and the same is disclosed on website of the Company at the link:

https://www.ptcfinancial.com/upload/pdf/20150629_Policy_materiality_of_Related_Party_Transactions.pdf

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

There were no instances of non-compliance on any matter related to the capital markets during the last three years. There were no penalties imposed or strictures passed against the Company by the statutory authorities on any matter related to capital markets, during the last three years.

C. Vigil Mechanism/Whistle Blower Policy

The Company's Whistle Blower policy is an inbuilt system of Grievance Redressal which deals with grievances of employees. Under this system grievances of the employees are redressed effectively. The Company affirms that no personnel have been denied access to the Audit Committee. The policy on vigil mechanism is disclosed on website of the Company at the link:

https://www.ptcfinancial.com/upload/pdf/whistle_blower_policy.pdf

D. Details of Compliance with Mandatory requirements

During the year, the Company has complied with all applicable mandatory corporate governance requirements prescribed under regulation 72 of SEBI Listing Regulations.

E. Policy on determining Material Subsidiary

The Company has adopted a policy on material subsidiaries .The policy for determining 'material' subsidiaries is disclosed on website of the Company at:-

http://www.ptcfinancial.com/upload/pdf/20150629_Policy_on_determining_Material_Subsidiaries.pdf.

However, the Company is not having any subsidiary company.

F. Accounting treatment in the preparation of the Financial Statements

The financial statements of the Company have been prepared in accordance with the IND-AS to comply with the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013.

13. Non- Compliance of any requirement of Corporate Governance report with reasons thereof

There is no such instance of non-compliance. The Company has complied with the requirements of the Schedule V of SEBI Listing Regulations. Further, the Company is also in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

A. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the period under review, Company has not raised any funds through preferential allotment or qualified institutions placement.

B. Whether the Board has where the board had not accepted any recommendation of any Committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

C. **Detail of total fees paid by the Company along with subsidiaries to the Statutory Auditors and their network firms**

The details of total fees for all services incurred by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Particulars	**Amount in ₹ In millions**
Services as statutory auditors (incl. quarterly limited reviews)	2.29
Tax audit	0.16
Other matters (certification and reporting)	0.27
Re-imbursement of out of pocket expenses	0.01
Total	**2.74**

D. **Related Party Disclosure**

The details of related party disclosures inclusive of loans/advances/ investments at the year end and maximum outstanding amount thereof during the year, as required under Part A of Schedule V of the SEBI Listing Regulations have been mentioned in the Notes Financial Statements for the financial year ended on 31st March 2021.

Disclosure of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company is annexed herewith and forming part of this report.

E. **Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

An Internal Complaints Committee has been constituted to look into grievance/complaints of sexual harassment lodged by employees as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, no complaints were received during the year and no complaint is pending on 31st March 2021.

No. of Complaints pending at the beginning of the year	**No. of Complaints received during the year 2020-21**	**No. of Complaints disposed off during the year 2020-21**	**No. of Complaints pending at the end of FY 2020-21**
Nil			

14. **Practicing Company Secretary Certificate as to none of the Directors are being debarred / disqualified**

A certificate from Practicing Company Secretary, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is also Annexed to the Annual Report.

15. **Discretionary Requirements**

The status of discretionary requirements as per regulation 27(1) of SEBI Listing Regulations is as follows:-

A. **The Board:** The Board is headed by a Non-Executive Chairperson. However, no expenditure are claimed by Chairperson for reimbursement.

B. **Shareholder Rights:** The quarterly/half-yearly/annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means of Communication" of the Corporate Governance Report and also displayed on the website of the Company. The annual financial statements are separately circulated to the shareholders.

C. **Modified Opinion (s) in audit report:** The audit report on the financial statements have been issued with an unmodified audit opinion.

D. **Separate post of Chairman and CEO:** Shri Deepak Amitabh is the Chairman of the Company and Dr. Pawan Singh is the Managing Director and CEO of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director & CEO.

E. **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.

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

S. No.	**Particulars**	**No. of Shares**
1	Aggregate number of Shareholders and the outstanding shares in the suspense account lying at beginning of the year	1000 shares held by 1 shareholder
2	Number of Shareholders who approached issuer for transfer of shares from suspense account during the year	-
3	Number of shareholders to whom shares were transferred from suspense account during the year	-
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1000 shares held by 1 shareholder

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PTC India Financial Services Limited,
7th Floor, Telephone Exchange Building,
8, Bhikaji Cama Place, New Delhi – 110066.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PTC India Financial Services Limited** having **CIN:L65999DL2006PLC153373** and having registered office at **7th Floor, Telephone Exchange Building, 8, Bhikaji Cama Place, New Delhi -110066** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities &Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations/ representations furnished to us by the Company & its Director/ officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Sh. Deepak Amitabh	01061535	16.10.2012
2.	Dr. Pawan Singh*	00044987	01.02.2012
3.	Sh. Naveen Kumar	00279627	25.09.2017
4.	Mrs. Pravin Tripathi	06913463	15.10.2015
5.	Sh. Kamlesh Shivji Vikamsey	00059620	12.05.2018
6.	Sh. Santosh Balachandran Nayar	02175871	25.06.2018
7.	Sh. Rakesh Kacker	03620666	10.10.2019
8.	Sh. Thomas Mathew Thumpeparambil	00130282	10.10.2019
9.	Sh. Ajit Kumar	06518591	06.06.2020
10.	Sh. Rajiv Malhotra	02383396	06.06.2020

**He was a Whole Time Director from 01.02.2012 till 02.10.2018, he is appointed as Managing Director & CEO w.e.f. 03.10.2018.*

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates,**
Company Secretaries,

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

Place : New Delhi
Date : 19.07.2021
UDIN: F005774C000654675

CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
PTC India Financial Services Limited
7th Floor, Telephone Exchange Building
8, Bhikaji Cama Place
New Delhi-110066

We have examined the compliance of conditions of Corporate Governance by **PTC India Financial Services Limited** for the year ended 31st March, 2021, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI (LODR) Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 for the year ended 31st March, 2021.

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

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

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

Place: New Delhi
Date: 28th July, 2021
UDIN: F005774C000699489

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Scenario

Infrastructure development plays a very crucial and critical role in economic growth of the country. There exists a very high correlation between infrastructure investment and economic growth of the country. Promoting growth of the economy has always been the utmost priority of the Government. The Government is continuously taking steps to facilitate production and GDP growth of the economy. The Government aims at creating a conducive environment by streamlining the existing regulations and processes and eliminating unnecessary requirements and procedures.

Power from renewable sources is one of the focus area in infrastructure development, crucial for the economic growth and welfare of nations. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition mainly through renewable sources in the country. According to the Ministry of Power, India's power consumption grew 41% at 119.27 billion units (BU) in April 2021 over the same month last year. The level of availability and accessibility of affordable and quality power is also one of the main determinants of the quality of life. India is the third largest producer after China and USA and second largest consumer of electricity in the world and had an installed power capacity of 382.73 GW as of April 2021. Electricity production reached 1,380 billion units (BU) in FY21. India was ranked fifth in wind power, fifth in solar power and fourth in renewable power installed capacity, as of 2019. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

The peak power demand in the country stood at 189.64 GW in FY21. Therefore, the Government's thrust on renewable energy made this sector as the fast-emerging major source of power in India. As of April 2021, India had an installed renewable energy capacity of 95.01 GW, which include 41.79% (39.41 GW) share through wind power and 41.91% (40.50 GW) of solar power. Keeping in view the commitment to a healthy planet and Nationally Determined Contributions as per the Paris Accord on Climate Change, the Government of India has set a target to install 227 GW of renewable energy capacity by FY22. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement. As per the Central Electricity Authority (CEA) estimates, by 2029-30 share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%. To give a further boost to the RE sector, an additional capital infusion of ₹ 1,000 crore to SECI has been provided by Government of India, which will enable SECI to float 15,000 MW of tenders on yearly basis. On yearly basis, it will attract investment of more than ₹ 60,000 crore.

In the past 10 years, the transmission line length grew at a compounded annual growth rate of over 7.5% and substation capacity grew at about 11.8%. The pace of expansion is expected to continue in the future to meet the government's renewable energy targets and 24×7 power for all consumers. As per CEA report, the load generation balance indicated that Northern Region (NR) is having a deficit of about 18500-22200 MW while the deficit of Southern Region (SR) is about 13000 to 19100 MW at the end of 13th Plan (FY 2021-22) condition and this will translate into further transmission capacity augmentation. Further, Government of India has focused on development of green and dedicated corridor for evacuation of power from renewable energy projects. The integration of the proposed capacity addition of 175/227 GW RE in next few years at national level will involve transmission of electricity across still longer distances. The augmentation of transmission and distribution network capacity is required to meet the generation demand from various sources, which will lead to enough business potential in the sector for PFS in coming years.

Roads are part of an integrated multimodal system of transport which influences the pace, structure and pattern of economic development. Road provides crucial links to airports, railway stations, ports and other logistical hubs and acts as a catalyst for economic growth by playing a critical role in the supply chain management. India has the second largest road network in the world, spanning a total of 5.89 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country. In India, sale of automobiles and movement of freight by roads is growing at a rapid rate.

The Government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. With the Government permitting 100 per cent Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalize on the sector's growth. Highway construction in India increased at 21.44% CAGR between FY16-FY19. Despite pandemic and lockdown, India has constructed 13,298 km of highways in FY21. By April 2021, the Ministry of Road Transport and Highways constructed 853 kms of national highways compared with 210 kms in April 2020. Going forward, the Government also aims to construct 23 new national highways by 2025 and is targeting to construct 40 kms per day in FY22. The Government of India has allocated ₹ 111 lakh crore (US$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25.

Capacity additions at ports are expected to record a CAGR of 5-6% till 2022 with Cargo traffic is expected to reach 1,700 MMT by 2022, adding 275-325 MT. Under Sagarmala, the Government aims to modernize 189 ports with investments totalling ₹1.42 trillion ($ 22 billion) by 2035.The Ministry of Shipping has set a target capacity of over 3,130 MMT by 2020, which would be driven by private sector participation.

PFS has diversified its portfolio by lending long term debt to Sewerage Treatment Plant, under Namami Gange scheme, E mobility where assets are secured by fixed revenue from Govt. of India/ State Govt. It has been considered that PFS will continue to fund such type of projects in future.

The Centre has launched a new flagship programme – Jal Jeevan Mission (Urban) 'Har Ghar Jal' (Rural) to provide piped water supply of prescribed quality and tap connections to all households in cities and rural area over the next five years on long-term and regular basis. The Government is expected to earmark ₹ 1.35 lakh crore for the Jal Jeevan mission from April 2021 to 31st March 2026.

'Namami Gange Programme', is an Integrated Conservation Mission, approved as 'Flagship Programme' by the Union Government in June 2014 with budget outlay of ₹ 20,000 Crore to accomplish the twin objectives of effective abatement of pollution, conservation and rejuvenation of National River Ganga. A total of 153 sewerage infrastructure projects have been sanctioned in eight (8) States (Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, West Bengal, Delhi, Haryana, and Himachal Pradesh) till date to create/rehabilitate 5065 MLD sewage treatment capacities and sewer network of 4972 Km at a cost of ₹ 23,305 Crore along Ganga and its tributaries.

In a move to address the issues of National energy security, vehicular pollution and growth of domestic manufacturing capabilities Government of India unveiled the 'National Electric Mobility Mission Plan (NEMMP) 2020'. The Department of Heavy Industry (DHI) launched Phase-II of the Scheme on 8th March 2019, with the approval of Cabinet with an outlay of ₹ 10,000 crores for a period of 3 years commencing from 1st April 2020. Under FAME II Scheme, bus supplier is eligible for a capital subsidy, same is being computed as maximum of demand incentive available from DHI depending on length of a bus or 40% of estimated cost of bus. DHI, has approved the sanction of 5,595 electric buses to 64 Cities.

NBFCs have played a crucial role as one of the key contributors to India's economy by providing a fillip to infrastructure, employment generation, wealth creation and access to financial services for the rural and weaker sections of society. However, the outbreak of the novel Coronavirus (COVID-19) pandemic globally and in India and the consequent lockdown restrictions imposed by Government is causing significant slowdown of economic activities across the world. The growth of PFS's business at the end of FY 21 has been adversely impacted due to the lockdown situation in entire country on account of the COVID-19 pandemic where no progress for activities related to clearances, land acquisition for under construction projects specifically in renewable, transmission and road sectors.

Govt. announced various relief packages to support all segments. In line with Govt. initiative, RBI issued guidelines relating to COVID-19 Regulatory Package and PFS has granted a moratorium of six months on the payment of all instalments and / or interest, as applicable, falling due between 1st March 2020 and 31st August 2020 to the eligible borrowers and those who applied for moratorium. These borrowers are classified as standard. PFS allowed moratorium to borrowers comprising of 50% of the loan book. Even after allowing moratorium, the Company has sufficient liquidity in the form of High Quality Liquid Asset (HQLA) and undrawn lines of credit to meet its financial obligations in the near future. The Company does not foresee any significant concern in the case of borrowers where projects have been commissioned/ completed, considering 50% of loan book comprises of operational, renewable energy projects that have must run status.

Outlook

India is the fastest-growing trillion-dollar economy in the world after USA, China, Japan, Germany and United Kingdom, driven by key structural reforms and further reduction in external vulnerabilities. Government of India has retained its focus on fiscal consolidation and implemented structural reforms for further growth in the infrastructure sector in general.

India has made important progress towards meeting the United Nations Sustainable Development Goals, notably Goal 7 on delivering energy access. Both the energy and emission intensities of India's gross domestic product (GDP) have decreased by more than 20% over the past decade. This represents commendable progress even as the total energy-related carbon dioxide (CO_2) emissions continue to rise. India's per capita emissions today are 1.84 tons of CO_2, well below the global average of emissions.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). By 2022, the target for renewable energy has been increased to 175 GW. Capacity addition in RE sector (Solar and wind), in the last 5 years has been driven by various initiatives and policy measures taken by Government of India and various state governments. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement. The peak power demand in the country stood at 182 GW in FY21. India is set to become a global manufacturing hub with investment across the value chain. India's power demand is expected to rise to 1,905 TWh by FY22.

The Government's recent move to allow Public Private Partnership in sectors like Water sanitation, Railways and other sectors has opened more avenues to private sector. The mix of Public Private Participation model is continuously increasing, thereby, increasing confidence, support and investment in the infrastructure sector. The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US$ 1.4 trillion on infrastructure during 2019-23 for the sustainable development of the country. Indian infrastructure sector is facing a paradigm shift moving towards timely completion of projects as against the general phenomenon of delay in completion of projects due to the delay in obtaining approval and clearances, lack of co-ordination between various departments and the resultant delay in project completion.

Power will remain as one of the most important components of infrastructure, crucial for economic growth and welfare of the country. The renewable power sector saw moderate capacity addition during FY-21 on account of the COVID impact, tariff renegotiations, weak finances of state power distribution companies and slowdown in tendering. However, with the latest initiatives by the Government including liquidity injection into discoms, implementing the direct benefit transfer (DBT) scheme in the electricity sector for better targeting of subsidies, promoting retail competition and instilling financial discipline at discoms, it is expected that the renewable sector will achieve its target capacity of 227 GW by 2022.

In addition to the renewable power sector, other areas such as power transmission, roads and highways, ports, airports etc. are also witnessing increased activity. Infrastructure sector plays a very crucial role in the economic development and possesses the potential for propelling the overall development of the country. The sector continues to enjoy focus from Government both in terms of policy related initiatives and development of infrastructure in the country. New projects are being undertaken and the Government is poised to ensure the development of the infrastructure sector of the country.

The Government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. With the Government permitting 100 per cent Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth. The introduction of Toll-Operate-Transfer (TOT) model helps the Government to monetize operational road assets by giving tolling rights on operational road projects in return for an upfront amount to the Government. The Infrastructure Investment Trust is also gaining popularity among developers to unlock the capital and de-leverage the balance sheet to explore further investment avenues. Road corridor project Bharatmala, port-linked industrialization plan Sagarmala and UDAN, Pradhan Mantri Gram Sadak Yojana will help improving transport infrastructure and bring fresh investment in the sector.

Considering the issues in the thermal sector, PFS as conservative approach, has not taken further exposure in thermal generation projects and has significantly diversified into renewable energy and in other infrastructure sectors such as roads and ports through calibrated approach. PFS is also diversifying into other infrastructure sectors like Power Transmission, Roads and Highways, Water Sewage Treatment, Waste Management Facility, Electric mobility, Electric Vehicle Charging Stations etc.

PFS believes that with infrastructure sector being the biggest focus area and also the financial support provided to the Infrastructure sector in the same will help to boost the investors' confidence in NBFC sector and will also help NBFCs to contribute to the Government's target for infrastructure development. PFS also believes that public private partnership in infrastructure development offers good potential and company continues to evaluate these business proposals in these areas.

The debt commitments and disbursements have been moderated during the year due to the ongoing issues with the NBFC sector and also because of the COVID impact which has impacted the development of new projects/ projects under construction. The power and infrastructure sector are witnessing stress and several projects in the country (both operational and under construction) are facing challenges. The Company is continuously engaged in resolution of such loans and is working proactively with the consortium members. Regular lenders' meetings are conducted, detailed feedback obtained from lenders' independent engineers and financial advisors to assess that project development activities are taken. Discussions are held with promoters and other stakeholders to work out a financially viable solution. The Company also engages consultants / professional agencies for working out effective solutions / resolutions for such cases. The Company continues to partner with credible players in the industry who can help all the stakeholders to benefit mutually. PFS believes that the infrastructure development and renewable energy area offers good potential and Company continues to evaluate these business proposals in these areas. The Company partnering with Global Green Growth Institutes (Seoul) to set up Renewable Infra Debt Fund (RIDF).

Financial and Operational Performance

PFS has been playing a crucial role in the development of the country's core infrastructure. By offering medium/long-term funds credit solutions, it has been enabling the funding and growth of the infrastructure projects across the country. PFS provides debt assistance to projects in the entire energy value chain i.e. power generation projects, transmission and distribution projects, fuel sources and related/other infrastructure with thrust on funding green sustainable infrastructure projects like Water Sanitation, E-Mobility etc. In FY 21, the company strengthen its balance sheet with reduction in its stress accounts, increasing provision coverage ratio on stress accounts, converting short term lines into long term, reduction in its borrowing cost and maintaining adequate liquidity at all times in the system to meet any unforeseen liability and growth.

In FY 2020-21 the total income decreased by 16.81% from ₹ 13,697.10 million in FY2019-20 to ₹ 11,394.54 million due to COVID 19 impact. However, this got offset significantly by decrease in finance cost by 20.76% to ₹ 7,515.02 million as compared to ₹ 9,484.46 million in FY 2019-20. In FY 20-21, the Spread on earning portfolio has improved to 2.71% from 2.62% and NIM on earning portfolio has improved from 3.31% to 3.47%. The other expenses increased by 21.01% to ₹ 349.29 million during FY 2020-21 as compared to ₹ 288.63 million in FY 2019-20, the increase in provision is due to one time provision made during the year amounting to ₹ 103.89 million for payment made to YIEDA towards stamp duty for purchase of land. Other income increased by 62.69% to ₹ 88.83 million during FY 2020-21 compared to ₹ 54.60 million in FY 2019-20. Few of the loan accounts were referred for liquidation by NCLT and accordingly, provision for Impairment on Financial Instruments has increased to ₹ 2,294.70 million in FY 2020-21 from ₹ 1,957.06 million in FY 2018-19.

In FY 2019-20, PFS focused on diversified sources of borrowings and also on reduction of cost of borrowings. During FY 2020-21, PFS received fresh sanctions of long-term loans of ₹8,000 million from existing lender viz Canara Bank and State Bank of India. PFS was able to reduce the Debt : Equity ratio during the year to 4.37 from 4.43 in FY 2019-20 The ratio of long-term borrowings to short term borrowings has also been maintained at comfortable level at 89:11 in FY 2020-21 against 91:9 in FY 2019-20 which indicates the strengthening of our cash flows and reduced payment obligations in the short-term. The Company has maintained sufficient liquidity in the form of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligation in near future.

COVID-19, a global pandemic has affected the world economy including India leading to significant decline in economic activity and volatility in the financial markets. Government announced various relief packages to support various segments of the economy. In line with RBI circulars, company provided the support to borrowers during the year in the form of moratorium on payments by them to the company. The company does not foresee any significant concern in case of borrowers where projects have been commissioned/ completed as they have must run status. However, it would be difficult to assess the impact on borrower's ability to service the debt where projects are under construction considering construction activities were halted due to lockdown restriction. However, respective Govt. Authorities have issued the circulars for allowing extension in SCOD. The overall growth of PFS business during the financial year has been impacted due to various factors including lockdown situation in country as activities related to clearances, land acquisition for new/under construction projects specifically in renewable and road sectors.

In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report, one-time settlement (OTS) proposal, asset value as per latest available financials with appropriate haircut as per ECL policy). Further, management overlay, wherever appropriate and approved by the Audit Committee, has been applied to reflect the current estimate of future recoverable values. The Company expects to recover the net carrying value of these assets, basis assessment of facts and ECL methodology which factors in future economic conditions as well. However, the eventual outcome of impact of COVID -19 may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any material changes to the future economic conditions.

During the FY 2020-21, with the focused efforts of the management, one NPA loan accounts amounting to ₹ 742.50 million were resolved during the year and few loan accounts are on verge of resolution. During the year gross NPAs have increased from ₹ 7,446.20 million to ₹ 8,241.06 million and net NPAs have decreased from ₹ 3,844.87 million to ₹ 3,130.59 million. For FY 2020-21 Gross NPA as a % to gross advances was 7.64% and Net NPA as a % to net advances was 3.08% as compared to 6.74% and 3.59% respectively for FY 2019-20. The company is continuously focusing on resolving the stress assets and the efforts may result in better profitability in coming years. Most of the NPA accounts belong to Thermal and Large Hydro projects.The Company is shifting its focus on other areas including renewable energy because of which the company exposure to thermal has reduced to 11% in FY 2020-21 in comparison to 30% as at FY 2015-16.

The profit before tax (PBT) for FY 2020-21 stood at ₹ 934.18 million compared to ₹ 1,720.38 million in FY 2019-20. The profit after tax (PAT) for FY 2020-21 stood at ₹ 256.03 million against ₹ 1,099.99 million in FY 2019-20.

For ensuring a robust quality of portfolio, PFS continues to strengthen its credit appraisal process and risk management function, PFS has further strengthened the project monitoring function and implemented early warning signal framework for early identification of stress in assisted projects, and, a special team has been set up to deal with and find resolutions of stressed assets.

The debt assistance sanctioned during FY 2020-21 stands at ₹ 40,976.70 million and disbursement at ₹ 26,469.50 million as compared to ₹ 30,408 million and ₹ 25,904 million during FY 2019-20. As on 31st March 21, the cumulative debt sanctioned net of cancellations/loan closure aggregated to ₹ 15,3848.0 million. Out of the same, PFS' exposure to power sector which constitutes generation, transmission and exposure to state power sector is 75.18% and the balance is in other infrastructure sectors majorly comprising of road, port, water infra and e-mobility sector etc.

The gross portfolio stood at ₹ 110,941.40 million in FY 2020-21 as compared to ₹ 113,950 million in FY 2019-20. The fund-based portfolio stood at ₹ 107,515.50 million in FY 2020-21 as compared to ₹ 110,060 million in FY 2019-20 and letters of comfort stood at ₹ 3,425.90 million in FY 2020-21 as against ₹ 3,890 million in FY 2019-20. The reduction in loan book is mainly on account of impact of COVID-19 Pandemic on Infrastructure growth during FY 20-21. The equity investments made by the Company aggregated to another ₹ 2,469.21 million as at the year end.

The financial assistance provided by PFS as on 31st Mar'21 are majorly in renewable/ environmentally friendly and sustainable infrastructure projects. As at 31st March 2021, the renewable portfolio comprises the highest proportion in the outstanding loan book at around 43.11%, thermal projects constitute just about 8.78% and the balance 48.11% includes other infra and loans to state power sector. Further, overall PFS exposure in power sector and energy value chain is 86.02% and exposure in non-energy value chain area is 13.98%

PFS will continue to focus on reduction of its thermal exposure and in FY 2021-22, its exposure is expected to be not more than 5% from 8.78% in FY 2020-21. Under the other infra sectors, PFS also has an exposure of 6.03% in the transmission sector and 8.23% in the road sector as at 31st March 2021. Further, the outstanding loan portfolio of PFS has a 22.80% exposure to state power utilities and 9.01% exposure as structured loans to holding companies of private infrastructure groups for capex purpose in power, road and port sector.

As at 31st March 2021, the company has ₹ 89,246.2 million of projects are commissioned and operational and comprises 83% of its total outstanding loans.

Risk Management

PFS's risk management framework is based on clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring.

The Board of Directors of PFS has oversight of all risk assumed by PFS with specific committees of the Board constituted to facilitate focussed risk management. There is adequate representation of independent directors in each of these committees. The proceedings and decisions of these Committees are reported to the Board. The policies approved by the Board of Directors or Committees of the Board from time to time constitute the governing framework within which business activities are undertaken.

The hallmark of PFS's Risk Management function is that it is independent of the business sourcing unit with the convergence only at MD level.

The key risks that PFS is exposed to in the course of business are Credit Risk, Market Risk, Liquidity Risk and Operational Risk. These risks not only have a bearing on PFS's financial strength and operations but also its reputation.

Credit Risk

PFS's core business is lending, which exposes it to various types of credit risk especially failure in repayments and increase in non-performing loans. PFS measures, monitors and manages credit risk at an individual borrower level and at the portfolio level. In the last few years, PFS has strengthened its credit risk management framework by adopting Early Warning Signal Framework (EWS Framework) and introducing sector specific credit risk grading framework.

Further, PFS rigorously adheres to RBI mandated prudential norms on provisioning of stressed assets and has adopted stringent approach in taking aggressive provisioning thereby preserving the shareholder value. During the year, PFS has worked on the resolution of the stressed assets portfolio and has significantly reduced the quantum of stress assets.

Market Risk

Liquidity Risk is the risk that PFS may not be able to meet its short term financial obligation due to an asset liability mismatch or interest rate fluctuation.

PFS's framework for liquidity and interest rate risk management is spelt out in its Asset Liability Management Policy that is implemented, monitored and periodically reviewed by ALCO. ALCO provides guidance for management of liquidity of PFS and the management of interest rate risk within the broad parameters laid down by the Board of Directors/RMC.

Operational Risk

There is a risk of loss resulting from inadequate or failed internal processes, people or systems or from external events. This could include fraud or other misconduct by employees or outsiders, unauthorised transactions by employees and third parties, misreporting or non-reporting with respect to statutory, legal or regulatory reporting and disclosure obligations, operational errors including clerical and record keeping and system failures.

PFS had Operational Risk Management Policy that covers the system of internal controls, systems and procedures to monitor transactions, key back-up procedures and undertakes regular contingency planning.

Policy for Investment of Surplus Funds

The policy of investment of surplus funds i.e. treasury policy provides the framework for managing investment of surplus funds. Realizing that the purpose of mobilization of resources in the Company is to finance equity as well as loans to power sector projects, the prime focus is to deploy surplus funds with a view to ensure that the capital is not eroded and that surplus funds earn optimal returns

ANNEXURE - I

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. **Brief outline on CSR Policy of the Company.**

   "Corporate Social Responsibility (CSR) is a long standing commitment of PFS. The CSR Policy of PFS sets the framework, guiding the CSR activities of the company. It outlines the governance structure, operating framework, monitoring mechanism and CRS activities that would be undertaken. The PFS CSR Committee is the governing body of CSR activities and ensures compliance with the CSR Policy of PFS."

   The CSR Policy of PFS approved by the Board is put up on the Company's website.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh Deepak Amitabh	Chairman	2	2
2.	Mrs Pravin Tripathi	Member	2	2
3.	Dr Pawan Singh	Member	2	2

3. Provide the web - link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

   Policy - *https://www.ptcfinancial.com/upload/pdf/corporate_social_responsibility_policy.pdf*

   CSR Committee - *https://www.ptcfinancial.com/cms/showpage/page/board-committee*

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub - rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). N. A.

5. Details of the amount available for set off in pursuance of sub - rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set – off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
NIL/ Not Applicable			

6. Average net profit of the company as per section 135(5). **₹ 1,16,31,17,528.96**

7. (a) Two percent of average net profit of the company as per section 135(5) **₹ 2,32,62,351.00**

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years. **Nil**

   (c) Amount required to be set off for the financial year, if any : Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c). **₹ 2,32,62,351**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer.
2,52,30,090	00	NA	NA	NA	NA

   (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	Distt.						Name	CSR Regn. No.
Not Applicable												

   (c) Details of CSR amount spent against other than ongoing projects for the financial year: ***Details Attached as Annexure***

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	Distt			Name	CSR Regn. No.
1.									
2.									
3.									
Total									

(d) Amount spent in Administrative Overheads **₹ 21,30,857** *(eligible amount 5% = ₹ 11,63,117)*

(e) Amount spent on Impact Assessment, if applicable **N A**

(f) Total amount spent for the Financial Year

(8b+8c+8d+8e) ₹ 2,52,30,090

(g) Excess amount for set off, if any

Sl No	Particular	Amount (in ₹)
i	Two percent of average net profit of the company as per section 135(5)	2,32,62,351
ii	Total amount spent for the Financial Year (incldg. Admin expenses)	2,52,30,090
iii	Excess amount spent for the financial year [(ii)-(i)] *	19,67,739
	Less excess of Admin expenses spent	(-) 9,67,740
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N A
v	Amount available for set off in succeeding financial years [(iii)-(iv)] *	9,99,399

* 5% of Admin expenses = ₹ 11,63,117

9. (a) Details of Unspent CSR amount for the preceding three financial years: **N A**

Sl No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	2019-20	Nil	N A	N A			N A
2.	2018-19	Nil	N A	N A			N A
3.	2017-18	Nil	N A	N A			N A
Total							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl No	Project ID	Name of project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project In ₹	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at end of the reporting Financial Year (in ₹)	Status of the Project – Completed/ ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the detailsrelating to the asset so created or acquired through CSR spent in the financial year (asset - wise details).

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital Not Applicable asset):

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **N A**

Sd/ -
Dr. Pawan Singh
Managing Director & CEO

Sd/-
Shri Deepak Amitabh
(Chairman CSR Committee)

Annual Report on CSR Activities – 8 (b)

(b) Details of CSR amount spent against ongoing projects for financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of implementation – Through Implementing Agency	
				State	Dist.			Name	CSR Regn. No.
1.	Setting up an Electric Crematorium.	Ensuring environment sustainability & ecological balance *Sch. VII (iv, xii)*	Yes	Delhi	Delhi	80,75,000	No	PTC Foundation Trust	CSR00001011
2.	Installing solar panels in home for elderly and destitute	Promoting Renewable energy, ensuring environment sustainability, ecological balance *Sch VII (iv)*	Yes	Alwar	Rajasthan	16,95,000	No	PTC Foundation Trust	CSR00001011
3.	Waste Management	Promoting Swachcha Bharat, Ensuring environment sustainability, *Sch VII (i & iv)*	Yes	Delhi	Delhi	1,39,56,000	No	PTC Foundation Trust	CSR00001011
4.	Check-dams	Ensuring environment sustainability, conserving natural resources, maintaining quality of soil & water *Sch VII (iv)*	Yes	Alwar	Rajasthan	53,15,000	No	PTC Foundation Trust	CSR00001011
5.	Supporting Skill Development	Promoting employment enhancing vocation, environment sustainability & sustainable, modern energy *Sch VII (ii, iv)*	Yes	Gurgaon	Haryana	15,00,000	NO	PTC Foundation Trust	CSR00001011
6.	Sanitation of Bhikaji Cama Place	Promoting Swachcha Bharat and sanitation *Sch VII (i, iv)*	Yes	Delhi	Delhi	9,85,953	No	PTC Foundation Trust	CSR00001011
7.	Covid Relief material	Disaster management, relief activities *Sch. VII (xii)*	Yes	Delhi	Delhi	10,00,000	No	HLFPPT	CSR00010248
Total spent on CSR projects						**3,25,26,953**			
Sl. No.	**Name of Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local Area (Yes/ No)**	**Location of the project**		**Amount spent for the project (in ₹)**	**Mode of implementation - Direct (Yes/ No)**	**Mode of implementation – Through Implementing Agency**	
8.	Salary paid CSR Staff 7 employees	Salary & Admin expenses				21,30,857	***N.B.** : 5% of CSR budget = ₹ 11,63,117*		
Total spent on CSR Projects sanctioned & approved, plus Admin expenses						**3,46,57,810**			
Amount utilized from surplus with implementing agency - PFT						**94,27,720**			
Actual Expenses on CSR projects for FY 2020-21 (incldg. Admin expenses)						**2,52,30,090**			
Less excess (over 5%%) of Admin expenses (21,30,857-11,63,117)						**9,67,740**			
Eligible CSR expenses for FY 2020-21						**2,42,62,350**			
CSR Budget as per Sec. 135						**2,32,62,351**			
Excess spent						**9,99,399**			

Annual Report on CSR Activities – 8 (b)

(b) Details of CSR amount spent against ongoing projects for financial year:

Sl. No.	Name of Project	Item from the list of activities in Schedule VII to the Act.	Local Area	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR Account for the project as per Sec. 135(6) (in ₹)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through Implementing Agency (Yes/No)	
				State	Dist.						Name	CSR Regn. No.
1.	Setting up an Electric Crematorium.	Ensuring environment sustainability & ecological balance *Sch. VII (iv, xii)*	Yes	Delhi	Delhi		80,75,000	80,75,000	Nil	No	PTC Foundation Trust	CSR00001011
2.	Installing solar panels in home for elderly and destitute	Promoting Renewable energy, ensuring environment sustainability, ecological balance *Sch VII (iv)*	Yes	Alwar	Rajasthan		16,95,000	16,95,000	Nil	No	PTC Foundation Trust	CSR00001011
3.	Waste Management	Nil	*Yes*	Delhi	Delhi		1,39,56,000	1,39,56,000	Nil	No	PTC Foundation Trust	CSR00001011
4.	Check-dams	Ensuring environment sustainability, conserving natural resources, maintaining quality of soil & water *Sch VII (iv)*	Yes	Alwar	Rajasthan		53,15,000	53,15,000	Nil	No	PTC Foundation Trust	CSR00001011
5.	Supporting Skill Development	Promoting employment enhancing vocation, environment sustainability & sustainable, modern energy *Sch VII (ii, iv)*	Yes	Gurgaon	Haryana		15,00,000	15,00,000	Nil	No	PTC Foundation Trust	CSR00001011
6.	Sanitation of Bhikaji Cama Place	Promoting Swachcha Bharat and sanitation *Sch VII (i, iv)*	Yes	Delhi	Delhi		9,85,953	9,85,953	Nil	No	PTC Foundation Trust	CSR00001011
7.	Covid Relief material	Disaster management, relief activities *Sch. VII (xii)*	Yes	Delhi	Delhi		10,00,000	10,00,000	Nil	No	HLFPPT	CSR00010248
8.	Salary paid CSR Staff 7 employees	Salary & Admin expenses					21,30,857	21,30,857				
Total of CSR Projects							***3,25,26,953***					
Less surplus amount from previous year with implementing agency PFT							***94,27,720***					
Actual expenses on							***2,30,99,233***					
ADD : Salary and admin expenses							***21,30,857***					
Total CSR Expenses in FY 2020-21 ₹							***2,52,30,090***					
Amount to be spent on CSR activities as per CSR Policy							***2,32,62,351***					
Excess amount spent							***19,67,739***					
Salary & admin @ 5%							11,63,117					
Expenditure on Salary & Admin Expp. permitted as per Section 135 of Companies Act							11,63,117					

ANNEXURE - II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PTC INDIA FINANCIAL SERVICES LIMITED
CIN: L65999DL2006PLC153373
Registered Office Address: - 7th Floor, Telephone Exchange Building,
8, Bhikaji Cama Place, New Delhi-110066.

We report that:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PTC INDIA FINANCIAL SERVICES LIMITED** (hereinafter referred as 'the Company'). The 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.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial records under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Auditor's Responsibilities Statement

Our responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on our audit.

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 records was verified 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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Limitations

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Further, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records and returns related to the applicable laws on the Company etc. However, due to lockdown to fight COVID-19 followed by restrictions imposed by local authorities and State Government, some of the documents and records mentioned above have been received via electronic means. The management has confirmed that the records submitted to us are the true and correct. We have also relied upon representation given by the management of the Company for certain areas which otherwise requires physical verification.

Basis of Opinion

We have followed the audit practices, secretarial auditing standards and processes as were applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. Some records are verified 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. We also believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Secretarial Records and Compliances made thereunder

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 March 31, 2021 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 March 31, 2021 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) The 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) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- **Not Applicable**

   (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **Not Applicable**

   (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   (g) 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; **Not Applicable as the Company is not a registered Registrar to an Issue or Transfer Agent.**

   (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021; - **Not Applicable**

   (i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; - **Not Applicable**

(vi) The Reserve Bank of India Act 1934 and rules, regulations, master-directions and guidelines made issued thereunder as are applicable to Non-Deposit (ND) taking Non-Banking Financial Companies (NBFC) with classification as a "Systematically Important (SI)" specifically applicable to the Company. The verification was done on test basis and relying upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances made thereunder.

We have also examined compliance with the applicable provisions of the following: -

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. *However, as per provisions of the Companies Act, 2013, the Company has not transferred the unclaimed shares for the Financial Year 2012-13 to Investor Education and Protection Fund Authority (IEPF Authority). Further, we have been informed by the Company that, it has initiated the process for transfer of those shares to IEPF Authority.*

We further report that:

The Board of Directors of the Company has been 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.

Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice, compliance as required under the Act has been made by the Company 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.

All decisions at Board Meetings and Committee Meetings have been carried out with requisite majority of the members of the Board or committees as the case may be. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board or Committee(s) thereof.

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

We further report that during the Audit period, the Company has no specific event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

FOR VKC & ASSOCIATES
(Company Secretaries)
Unique Code: P2018DE077000

Sd/-
CS Ishan Khanna
Partner
ACS No. 53517
C P No. 24258
UDIN: A053517C000699195

July 29, 2021
New Delhi

ANNEXURE - III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

PTC India Financial Services Limited ("the Company") has not entered into any contract /arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during financial year 2020-21. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("the Act") and the corresponding Rules.

a)	Name(s) of the related party and nature of relationship	:	N.A.
b)	Nature of contracts/arrangements/transactions	:	N.A.
c)	Duration of the contracts / arrangements/transactions	:	N.A.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	N.A.
e)	Justification for entering into such contracts or arrangements or transactions	:	N.A.
f)	Date(s) of approval by the Board	:	N.A.
g)	Amount paid as advances, if any:	:	N.A.
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	:	N.A.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

a)	Name(s) of the related party and nature of relationship	:	Nil
b)	Nature of contracts/arrangements/transactions	:	Nil
c)	Duration of the contracts / arrangements/transactions	:	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Nil
e)	Date(s) of approval by the Board	:	Nil
f)	Amount paid as advances, if any:	:	Nil

For and on behalf of the Board
PTC India Financial Services Limited

Sd/-
Dr. Pawan Singh
Managing Director & CEO
DIN : 00044987

Date : 05th August 2021
Place : New Delhi

ANNEXURE - IV

"NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY"

Legal Framework

As per the requirements of Companies Act 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors of PTC India Financial Services Limited ("Company") has constituted a Nomination and Remuneration Committee. The Committee's role is to be supported by a policy for nomination of Directors and Senior Management Personnel including Key Managerial Personnel as also for remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees. Further, a policy on Board Diversity is also to be adopted.

Definitions

For the purpose of this Policy:

- **'Act'** shall mean the Companies Act, 2013;
- **'Board'** shall mean the Board of Directors of PTC India Financial Services Limited (PFS);
- **'Committee'** shall mean the Nomination and Remuneration committee of the Company, constituted and re constituted by the Board from time to time;
- **'Company'** shall mean PTC India Financial Services Limited (PFS);
- **'Directors'** shall mean the directors of the Company;
- **'Independent Director'** shall mean a director referred to in Section 149 (6) of the Companies Act, 2013 and in Regulation 16(b) of the Listing Regulations.
- **"Key Managerial Personnel"** or KMP shall have the meaning as defined under Section 2(51) of the Act; **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- **'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 Section 178 of the Companies Act 2013 and the Regulation 19 and Part D of Schedule II of the Listing Regulations..

OBJECTIVE & PURPOSE

The Nomination & Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with applicable rules thereto and Regulation 19 read with Part D of Schedule II of Listing Regulations 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 a adopted a remuneration policy which provides for Performance Related Pay (PRP), a reward linked directly to efforts, performance, dedication and achievement relating to the Company's operations. Apart from the PRP, the annual increases in remuneration have a component of Merit Increase, which is also linked to performance of an individual.

This policy provides the Committee with an overall framework for governance of the remuneration policy of the Company.

- To retain, motivate and promote talent and to ensure long term sustainability for retention of talented managerial persons and create competitive advantage for the Company.
- To guide and assist the Board in laying down ESOP Compensation policy in terms of SEBI Guidelines, as and when decided.
- To guide and assist the Board in clarifying any matter relating to remuneration.
- To set out the criteria for evaluation of performance of (a) Board as a whole; (b) Committees of the Board; and (iii) the individual Directors including the chairperson and the Independent Directors;
- To ensure diversity of the Board of the Company

This Policy is Applicable to:

- Directors (Executive, Non-Executive and Independent)
- Key Managerial Personnel
- Senior Management Personnel
- Other employees as may be decided by the Committee

CONSTITUTION

- The Committee shall consist of three or more non-executive directors out of which not less than one-half are independent directors.
- The Chairman of the Committee shall be an Independent Director.

- The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair such Committee.
- The Chairperson of the Committee or in his absence, any other member of the committee authorised by him in this behalf shall attend the General Meetings of the Company to answer the shareholders' queries.
- The Company Secretary shall act as the secretary for Committee meetings.

QUORUM FOR THE MEETINGS

- With effect from April 01, 2019, the Committee shall meet atleast once in a year.
- The quorum for a meeting of the committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

NOMINATION & REMOVAL CRITERIA

1 **Appointment criteria and qualifications:**

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

1.2 A potential candidate being considered for appointment to a position should possess adequate qualification, expertise and experience for the position. The Committee shall review qualifications, expertise and experience commensurate to the requirement for the positions. The Committee will insist on the highest standards of ethical and moral qualities to be possessed by such persons as are considered eligible for the positions.

1.3 The Committee shall determine the suitability of appointment of a person to the Board of Directors of the Company by ascertaining whether the fit and proper criteria is met by the candidate in the opinion of the Committee.

1.4 The Committee may recommend appropriate induction & training programme for any or all of the appointees.

1.5 The Company shall normally not appoint or continue the employment of any person as Whole Time Director, KMP or Senior Management Personnel who has attained the superannuation age as per the policy of the Company.

1.6 The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of a director subject to the provisions of law and the respective service contract.

1.7 The Committee shall recommend any necessary changes in the Policy to the Board, from time to time.

1.8 The Company should ensure that the person so appointed as Director/ Independent Director, KMP, Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.

1.9 The Director/ Independent Director/Senior Management Personnel/KMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.

1.10 The company shall familiarize the independent directors with the company, including their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs.

2 **Term / Tenure**

2.1 **Managing Director (MD) & Chief Executive Officer (CEO)** or Managing Director/Whole-time Director (WTD):

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

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

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

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. As per the provisions of the Companies Act, 2013, the Company shall at all times have at least one woman director on the Board. Any vacancy of the woman director shall be filled within a period of six months.
- Ethnicity - The Company shall promote having a boardroom comprising of people from all ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;
- Physical disability - The Company shall not discriminate on the basis of any immaterial physical disability of a candidate for appointment on the Company's Board, if he/she is able to efficiently discharge the assigned duties.
- Educational qualification- The Directors of the Company shall have a mix of finance, engineering, legal and management background, so that they collectively provide the Company with considerable experience in a range of activities including varied industries, education, policy and investment.

6 Remuneration

The level and composition of remuneration to be paid to the MD & CEO, 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. MD & CEO/ WTD

Besides the above Criteria, the Remuneration/ Compensation/ Commission / PRP / Bonus etc. to be paid to MD & CEO/ 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 MD & 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 MD & CEO of the Company or any other personnel that the MD & CEO may deem fit to delegate.

<u>Criteria of Evaluation</u>

The criteria for every evaluation may be decided at every level depending on the functions, responsibilities, competencies required, nature of business, etc. However, the Committee with the approval of the Board has prescribed the minimum standard to be kept in mind while carrying out the performance evaluation:-

(A) Board as a Whole

1) **Structure of the Board:**
    a) Competency of Directors
    b) Experience of Directors
    c) Mix of qualifications
    d) Diversity in board under various parameters
2) **Meetings of the Board:**
    a) Regularity of meetings
    b) Frequency

c) Logistics

d) Agenda

e) Discussions and dissents

f) Recording of minutes

g) Dissemination of information

3) **Functions of the Board:**

a) Role and responsibilities of the Board

b) Strategy and performance evaluation

c) Governance and Compliance

d) Evaluation of risks

e) Grievance redressal for investors

f) Conflict of interest

g) Stakeholder value and responsibility

h) Facilitation of independent directors

(B) Committees of the Board

1) Mandate and composition

2) Effectiveness of the Committee

3) Structure of the committee and meetings

4) Independence of the Committee from the Board

5) Contribution to the decisions of the Board

(C) Individual Directors and Chairperson

1) **General**

a) Qualifications

b) Experience

c) Knowledge and Competency

d) Ability to function as a team

e) Commitment

f) Integrity

2) **Additional criteria for Independent director:**

a) Independence

b) Independent views and judgement

3) **Additional criteria for Chairperson:**

a) Effectiveness of leadership and ability to steer the meetings

b) Impartiality

c) Commitment

d) Ability to keep shareholder's interest in mind

In case of evaluation by third party, the Independent External Agency may adopt different criteria from the abovementioned criteria's.

Feedback

Providing feedback to the individual directors, the Board and the Committees is crucial for success of Board Evaluation. On collation of all the responses, the feedback may be provided by the Chairman of the Board or any other member as authorized by the Chairman or any authorized person of external agency through orally or written communication. For effectiveness of the evaluation, it is essential that the feedback be given honestly and without bias.

Action Plan

Based on the analysis of the responses, the Board may prepare an action plan on:

a) Areas of improvement including training, skill building, etc. as may be required for Board members

b) List of actions required detailing:

- Nature of actions
- Timeline
- Person responsible for implementation
- Resources required, etc.

c) Review of the actions within a specific time period

The action plan may be prepared by the Board or Committee in a comprehensive manner. Suggestions under the external assessment, individual member feedback, etc. may be taken into account while drafting the action plan.

Frequency of Board Evaluation

As per SEBI LODR and Companies Act, the Board Evaluation is required to be done once a year.

DISCLOSURE OF THIS POLICY

The manner of formal annual evaluation of the Board, its committees and individual directors is to be disclosed to the shareholders on an annual basis in the Annual Report and this Policy is to be hosted on the website of the Company.

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. In case of any amendment in the law which contradicts with any part of this Policy then that part shall become ineffective and replaced by the amendment.

ANNEXURE - V

AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint venture

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Name of the subsidiary	N.A.
2	The date since when subsidiary was acquired	N.A.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	N.A.
5	Share capital	N.A.
6	Reserves and surplus	N.A.
7	Total assets	N.A.
8	Total Liabilities	N.A.
9	Investments	N.A.
10	Turnover	N.A.
11	Profit before taxation	N.A.
12	Provision for taxation	N.A.
13	Profit after taxation	N.A.
14	Proposed Dividend	N.A.
15	Extent of shareholding (in percentage)	N.A.

Notes: The following information shall be furnished at the end of the statement:

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

Part B Associates and Joint Ventures

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

	Name of Associates or Joint Ventures	**R.S. India Wind Energy Private Limited (₹ In lakhs)**	**Varam Bio Energy Private Limited (₹ In lakhs)**
1	Latest audited Balance Sheet Date	31st March, 2014	31st March, 2016
2	Date on which the Associate or Joint Venture was associated or acquired	22nd March, 2008	31st January, 2008
3	Shares of Associate or Joint Ventures held by the company on the year end		
	No.	6,11,21,415	43,90,000
	Amount of Investment in Associates or Joint Venture	6,112.14	439.00
	Extent of Holding (in percentage)	37%	26%
4	Description of how there is significant influence	Note A	Note A
5	Reason why the associate/joint venture is not consolidated	Note B	Note B
6	Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 4,737	Nil (Note C)
7	Profit or Loss for the year		
	i. Considered in Consolidation	Nil	Nil
	ii. Not Considered in Consolidation	Nil	Nil

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

Note B : The audited accounts were not made available by associate.

Note C : The Company has fully provided for diminution in investment held in associates and the company does not have any further obligations over and above the amount invested.

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

For and on behalf of the Board
PTC India Financial Services Limited

Sd/-
Dr. Pawan Singh
Managing Director & CEO
DIN : 00044987

Date : 5th August 2021
Place : New Delhi

ANNEXURE- VI

BUSINESS RESPONSIBILITY REPORT

Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

PTC India Financial Services Limited (PFS) Business Responsibility Report 2020-2021 includes our responses to questions on our practices and performance on key principles defined by Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L65999DL2006PLC153373
2	Name of the Company	PTC India Financial Services Limited (hereinafter referred to as 'Company'/ PFS)
3	Registered Office	7th Floor, Telephone Exchange Building, 8, Bhikaji Cama Place, New Delhi-110066
4	Website	www.ptcfinancial.com
5	E-mail id	info@ptcfinancial.com
6	Financial Year Reported	April 1, 2020 to March 31, 2021
7	Sector that the Company is Activity code wise	PTC India Financial Services Limited (PFS) is a Non-banking Finance Company (NBFC) classified as Infrastructure Finance Company (IFC) by the Reserve Bank of India. The Company is incorporated to provide finance and financial services to the infrastructure/ non infrastructure projects.
8	List three key products that Company manufactures (as Per Balance Sheet)	PFS is into lending and advisory business and not manufacturing.
9	Total Number of Locations where business activity is undertaken by the Company	One (1)
10	Markets served by the Company – Local/State/ National/International/	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR' lakhs)	64228.33
2	Total Turnover (INR' lakhs)	₹ 1,13,945.43 lakhs
3	Total Profit after taxes (INR' lakhs)	₹ 2,560.31
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 252.30 lakhs was spent during the FY 2020-21 against the obligation of ₹ 232.62 lakhs (2% of average profit of last three years) PFS spent 108% of the obligation.
5	List of activities in which expenditure in 4 above has been incurred	The CSR activities in which the expenditure has been incurred have been listed below: • PFS through SDMC has allocated funds for installation of electric crematorium at Sarai Kale Khan, Delhi. • PFS has partnered with PHD Rural Development Foundation for implementation of water conservation through installation of Rainwater Harvesting Structures in the form of Check Dams and gabion structures in Alwar, Rajasthan. • PFS has partnered with Sapna NGO for installation of solar panels in home for elderly at Mahatma Gandhi Netralaya at Kaduki, Alwar; Anandam, Vijay Mandir, Alwar; and Anandam, Dadikar, Alwar, Rajasthan • PFS has partnered with CII Foundation for Community Waste Management Project in a locality near Okhla in South Delhi. • PFS has partnered with its parent company PTC India in the cleanliness drive in Bhikaji Cama Place under the *Swachch Bharat Abhiyan*. • PFS is supporting skill development initiative through Power Sector Skill Council • PFS has also distributed Covid Relief material through HLFPPT.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	PTC group (of which PFS is part) has formed a trust named PTC Foundation to carry out the CSR activities in more focussed and streamlined manner. We don't have any subsidiary company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No other entity/entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a.	**Details of the Director/Director responsible for implementation of the BR policy/policies:**	
	1. DIN	00279627
	2. Name	Shri. Naveen Kumar
	3. Designation	Director (Operations)
b.	**Details of the BR head**	
	1. DIN	N.A.
	2. Name	Nidhi Dahiya
	3. Designation	Manager
	4. Telephone Number	011-26737459
	5. E-mail Id	Nidhi.Dahiya@ptcfinancial.com

2. Principle-Wise (as per NVGs) BR Policy / Policies

The nine principles as per BRR are as given below:

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

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

P 3: Business should promote the wellbeing of all employees

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

P 5: Business should respect and promote human rights.

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

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

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

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

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

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy for…	Company has all the required policies in place.								
2	Has the policy been formulated in consultation with the relevant stakeholders	Yes, the policies are formulated in consultation with relevant stakeholders and benchmarking across the industry.								
3	Does the policy conform to any national / international standards? if yes specify	All policies are compliant with relevant principles of National Voluntary Guidelines.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO/ appropriate Board Director?	All polices are approved by the respective competent authorities. Since policies are approved by the competent authorities, it implies that the same have been signed by them.								
5	Does the Company have a specified committee of the Board / Director / official to oversee the implementation of the policy?	The Board of Directors of the Company along with the Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Stakeholders Grievance Committee are responsible for overall effective implementation & monitoring of the BR policies adopted on respective principles. Further, each policy has also been mapped with the respective departments, who are responsible for its implementation & monitoring on the ground and submit necessary report to the Board of Directors.								
6	Indicate the link for the policy to be viewed online?	Code of Conduct, Whistle Blower Policy and CSR Policy can be accessed at https://www.ptcfinancial.com/cms/showpage/page/codes-policies Other policies are internal policies of the Company and are not available on the website of the Company. However, the same are available on the intranet for PFS employees. The details of grievance redressal mechanism available for customers and for third party complaints are also available at our website along with above stated policies. Refer the below link: http://www.ptcfinancial.com/cms/showpage/page/grievances-redressal-mechanism								

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all the relevant internal and external stakeholders?	The policies posted on the Company's website are available for all stakeholders. For internal stakeholders, appropriate means of communication like intranet, mail communication etc. is available.								
8.	Does the Company have in house structure to implement the policy/ policies	Yes, time to time on need basis, committee is formed to review the policies and implement the same.								
9.	Does the company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies	Yes								
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The Board/Committee of the Board reviews the policies at periodic intervals on need basis.								

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

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

3. Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of Directors or CEO to access the BR performance of the Company. Within 3 months, 3 months – 6 months, annually more than 1 year.	Yes, annually. We have constituted a corporate social responsibility (CSR) committee of the Board which oversees our CSR strategy and progress. For more details on the frequency of the committee's meeting, refer to the 'Corporate social responsibility committee' sub- section in the Corporate Governance Report, and the 'Corporate Governance' section in the Board's Report, which are part of this Annual Report.
Does the Company publish a BR or sustainability report? What is the hyperlink for viewing this report? How frequently it is published?	PFS has published its Sustainability report for financial year 2017-18 in accordance with GRI G4 reporting guidelines. Previous to this, we have published the sustainability report in FY 2015-16.

SECTION E: PRINCIPLE WISE PERFORMANCE

Principle No.	Description	Response
P-1 Business should conduct and govern themselves with Ethics, Transparency and Accountability.		
1.1	**Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend the group / joint ventures/ suppliers/ contractors/ NGOs/ others?**	The Company has adopted the Code of Business Conduct and Ethics, governing conduct of the business of the Company in an ethical manner. Polices of the Company are aligned with those of the parent company i.e. 'PTC India Limited'. It applies to the Directors, Key Managerial Personnel and Senior Management of the Company. The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Personnel and Senior Management every year. The Company has in place: • Whistle Blower Policy: It provides an avenue for Directors and employees to inform about any wrongdoing in the Company and reassurance that they will be protected from victimization for whistle blowing. • Code of Conduct for Prevention of Insider Trading: It prevents insider trading and protect price sensitive information. Further, PFS does not have any joint venture /suppliers/ contractors etc.

Principle No.	Description	Response
1.2	**How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide the details thereof in about 50 words or so.**	The details of the complaints of the investor are provided in the report on corporate governance. All complaints received during the year were dealt by the competent authority.
P-2 Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
2.1	**List upto 3 of your products whose design has incorporated social or environmental concerns, risks and / or opportunities.**	PFS is a NBFC engaged in lending primarily in infrastructure and power sector with a view on sustainable lending and has established an ESMS (environmental and social management system) which assesses Environmental and Social (E&S) risks associated with projects financed by PFS and stipulates conditions to mitigate adverse impacts. To further reduce carbon footprint from our operations, PFS on its balance sheet has commissioned a wind project of 6 MW in the state of Karnataka. PPA for the project has been signed with Karnataka Discom for 25 years. The energy generated by the wind project exceeds the electric energy consumption at our Delhi office, thus offsetting the emissions from our operations/services. Additionally, our CSR initiatives listed under section B of this report creates positive social and environmental impact.
2.2	**For each such product, provide the following details in respect of resource use (energy, raw material etc.) per unit of product (optional):** a. Reduction during the sourcing / production/ distribution achieved since the previous year throughout the value chain. b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not applicable directly, as PFS in not engaged in manufacturing business and only human resource is engaged by PFS to carry out its operations. Though, as part of sustainable lending PFS encourages its borrowers to follow IFC (International Finance Corporation) performance standards to ensure environmental and social sustainability which deals with the aspects of resource efficiency and conservation. Hence, indirectly contributing to resource conservation. We have also adopted several direct measures to reduce carbon footprint from our office operations. Some of the initiatives include: • Implementing established energy reduction measures, such as air conditioning and smart lighting controls in the buildings we occupy. • Installing energy efficient LED lighting in our office by replacing others. • Ensuring all lights, computers and other equipment are powered off when not in use during extended periods of time, including at night and at weekends
2.3	**Does the Company have procedures in place for sustainable sourcing (including transportation)?** a. If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.	Not applicable.
2.4	**Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?** a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Not applicable.
2.5	**Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof, in about 50 words or so.**	Not applicable as PFS is not into product manufacturing, thus recycling is not applicable to us. E-waste generated from our operations is handed over to CPCB (Central Pollution Control Board) certified vendors.

<table>
<tr><th>Principle No.</th><th>Description</th><th>Response</th></tr>
<tr><td colspan="3">P-3 Business should promote the well-being of all employees</td></tr>
<tr><td>3.1</td><td>Please indicate the total number of employees</td><td>48 regular employees as on 31st March, 2021.</td></tr>
<tr><td>3.2</td><td>Please indicate the total of employees hired on temporary / contractual / casual basis.</td><td>Total 18 personnel (5 are on direct contract of the company and 13 are outsourced) have been hired by PFS on contractual basis.</td></tr>
<tr><td>3.3</td><td>Please indicate the number of permanent women employees</td><td>Eight (8)</td></tr>
<tr><td>3.4</td><td>Please indicate the number of permanent employees with disabilities</td><td>One (1)</td></tr>
<tr><td>3.5</td><td>Do you have an employee association that is recognised by management?</td><td>There is an employee welfare association by the name of ERA (Employees Recreation Association) which is recognized by PFS Management. It plans recreational activities which fosters team spirit and encourages organizational belongingness.</td></tr>
<tr><td>3.6</td><td>What percentage of your permanent employees is members of this recognized employee association?</td><td>100%; all permanent employees are members of this association.</td></tr>
<tr><td>3.7</td><td>Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year:</td><td>Nil
<table>
<tr><th>S. No.</th><th>Category</th><th>No. of complaints filed during the financial year</th><th>No. of complaints pending as on end of the financial year</th></tr>
<tr><td>1.</td><td>Child labour / forced labour / involuntary labour</td><td>Nil</td><td>Nil</td></tr>
<tr><td>2.</td><td>Sexual Harassment</td><td>Nil</td><td>Nil</td></tr>
<tr><td>3.</td><td>Discriminatory employment</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>3.8</td><td>What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?
• Permanent employees
• Permanent women employees
• Casual/ Temporary / Contractual Employees
• Employees with disabilities</td><td>
<table>
<tr><th>S. No.</th><th>Category (who were provided skill upgradation training)</th><th>No. of employees to whom training has been imparted</th></tr>
<tr><td>1.</td><td>Permanent employees</td><td>48/48; approximately 100%</td></tr>
<tr><td>2.</td><td>Permanent women employees</td><td>8/8; hence 100%.</td></tr>
<tr><td>3.</td><td>Casual/ Temporary/ Contractual Employees</td><td>10/18; approximately 80%
(Persons under contract of services have also been provided training).</td></tr>
<tr><td>4.</td><td>Employees with disabilities</td><td>1; 100%</td></tr>
</table></td></tr>
<tr><td colspan="3">P- 4 Business should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised</td></tr>
<tr><td>4.1</td><td>Has the Company mapped its internal and external stakeholders?</td><td>Yes, stakeholders of the company have been mapped through a formal process of consultation.
Key stakeholders identified by PFS are:
• Internal stakeholders (Employees)
• External Stakeholders (Borrowers, Lenders, Shareholders, government and regulatory body, community, portfolio companies and PTC India (parent company).</td></tr>
<tr><td>4.2</td><td>Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?</td><td>PFS has a sexual harassment policy in place. Moreover, there is a whistle blower policy whereby an employee with any grievance can raise the issue with the top management.
Further, as part of the CSR initiative, we engage with the disadvantaged, vulnerable & marginalized stakeholders</td></tr>
<tr><td>4.3</td><td>Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details, in about 50 words or so.</td><td>As part for our lending business we expect our borrowers to follow the IFC environmental and social performance standards, 2012 which supports projects which protects rights of indigenous people (marginalized and vulnerable group) and creates opportunities for their growth and resultantly provides benefits like employment through project related activities.
Moreover, company through its CSR initiatives has engaged with disadvantaged, vulnerable and marginalized stakeholders as detailed in Section B of this report.</td></tr>
</table>

Principle No.	Description	Response
P-5 Business should respect and promote human rights		
5.1	**Does the policy of the Company on human rights cover only the company or extend to the group / joint ventures / suppliers / contractors / NGOs / others.**	Company believes in protecting the human rights of our people, recognizing their need for respect and dignity. We are committed to fair employment practices and freedom of expression, supported by a strong, company-wide value system. We provide every avenue to our workforce for voicing their opinion. PFS also has a well-defined Grievance Redressal Policy, which is applicable to all regular employees except for officers who are one step below the Board Level. During the last financial year, the Company has given thrust to an organizational development programme and has developed systems and processes that maximize human potential. The Company has developed a KRA/KPI based Performance Management System to link and measure individual performance with the organizational performance score card during the year. This programme has now been rolled out. Our Company continuously invests in attraction, retention and development of talent on an ongoing basis. Company's thrust is on the promotion of talent internally through job rotation and job enhancement. Strong governance processes and stringent risk management policies are adhered to, in order to safeguard our stakeholders' interest. The Company also adheres to the highest levels of ethical business practices as articulated in the Code of Conduct and Ethics. A strong commitment to human rights is embedded in the Company's Code of Conduct and Ethics Policy which lays down acceptable behaviour on various aspects including human rights. This code is applicable for all employees, associates and business partners. It has been adopted by our parent company as well.
5.2	**How many stakeholders complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**	No complaints were received under the whistle blower policy. The details of the complaints of the investor are provided in the report on corporate governance. All complaints received during the year were dealt by the competent authority.
P-6 Business should respect, protect and make efforts to restore the environment.		
6.1	**Does the policy related to Principle 6 cover only the company or extend to the group / joint ventures / suppliers / contractors / NGOs / others.**	Environmental and Social Policy of PFS extends to the projects financed by PFS and indirectly covers contractors and borrowers engaged in project financing. E&S Policy scope extends to consortium funding where PFS is in lead.
6.2	**Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. if yes, please give hyperlink for webpage etc.**	• PFS has provided loans for large renewable energy and pollution prevention projects and in FY 20-21, 50% of our sanctioned projects were in these sectors; thus promoting green energy and sustainable projects which indirectly prevents climate change and global warming. • PFS in the past few years have made a deliberate effort to shift focus to sustainable infrastructure finance which contributes towards reduction in greenhouse gas emissions.
6.3	**Does the company identify and assess potential environmental risks.**	To promote sustainable lending and to ensure compliance with our environmental and social management systems, PFS either internally or with the help of third party conducts environmental and social due diligence to assess environmental and social risks associated with the projects financed by PFS. In line with our established ESMS (Environmental and Social Management systems), the due diligence scope includes verification of relevant environmental and social aspects of the project in line within the reference framework (including the current operations and the future planned additions/ expansions). It includes but not be limited to the following aspects: • Environmental impact management; • Social impact management; • Health and safety management; • Human resources management (including human rights and labour standards); and • Community engagement.
6.4	**Does the company have any project related to clean development mechanism? If so, provide details hereof, in about 50 words or so. Also if yes, whether any environmental compliance report is filed?**	PFS is into lending business and we largely finance renewable energy projects which are based on clean and green fuel. PFS has a single 6 MW wind power project in Karnataka state and no environmental compliance report is required to be filled for 'white' category project as per CPCB revised categorization.

Principle No.	Description	Response
6.5	**Has the company undertaken any other initiatives on–clean technology, energy efficiency and renewable energy, etc. Y/N. if yes, please give hyperlink for web page, etc.**	• PFS disposes of its e-waste through CPCB certified vendor. • To promote renewable energy, as on 31st March, 2021 PFS's renewable (Wind and Solar) portfolio and pollution prevention projects is more than 50% of the total portfolio. • Moreover, PFS has developed a 6 MW wind farm in Karnataka State which got commissioned in May, 2010.
6.6	**Are the emission / waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**	Not applicable.
6.7	**Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.**	None.
P- 7 Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.		
7.1	Is your company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.	• India CEO Forum on Air Pollution by Confederation of Indian Industry (CII); • India Infrastructure Forum
7.2	**Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: governance and administration, economic reforms, inclusive development policies, energy security, water, food security, sustainable business principles, others)**	No.
P-8 Business should support inclusive growth and equitable development.		
8.1	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? if yes details thereof.	PFS has established and implemented robust environmental and social management systems (ESMS) which is applicable to our lending business (core business). As part of the sustainable lending and as committed in our Environmental and Social (E&S) policy, PFS provides lending for projects which strive to minimize, mitigate or compensate adverse impacts on workers, affected communities and the environment. E&S Policy also states, that PFS would support lending to projects where affected communities are engaged on project related issues that could potentially affect them. We also support the principles of inclusive growth and equitable development through the CSR initiatives taken by PFS as well as through our core business as elaborated above. Details of CSR activities have been already elaborated in above sections.
8.2	**Are the programmes / projects undertaken through in house team / own foundation / external NGO/ government structure/ any other organisation?**	We directly do not engage in any such activities, however as stated in above column we support lending for projects which through its operations promotes aspects of inclusive growth and equitable development. CSR initiatives have been undertaken through PTC foundation/ by PFS itself and also through government institutes. Details of CSR activities have been presented in above sections.
8.3	**Have you done any impact assessment of your initiative?**	The key objective of our ESMS, is to identify and assess the environmental and social impacts in the project's area of influence and as part of the project appraisal process, PFS conducts environmental and social due diligence for the projects to assess the impacts of the project. Subsequently, to minimize the adverse impacts of the project an environmental and social action plan (ESAP) is prepared to improve the E&S performance of the company/project. Apart from this, the approved projects are monitored on annual/ once in two years' frequency based on the project categorization. It should be noted that approximately 50% of our projects sanctioned in FY 20-21 were in green energy and sustainable sector. PFS through PTC foundation conducts formal impact assessment studies for its CSR initiatives.

Principle No.	Description	Response
8.4	**What is your company's direct contribution to community development projects- Amount in INR and details of the projects undertaken?**	The details have been already captured under section B of the report. More details are provided in report on CSR activities.
8.5	**Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**	Prior to undertaking an initiative, PFS engages with the community to assess the need and ensure that the activity/ initiatives benefit the community. Formal impact assessment studies would be conducted in future to assess the success of the programme, once the project is implemented.
P-9 Business should engage with and provide value to their customers and consumers in a responsible manner		
9.1	**What percentage of customer complaints/ consumer cases are pending as on the end of the financial year.**	Nil
9.2	**Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A/Remarks (additional information)**	Not Applicable
9.3	**Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on the end of financial year. If so, provide the details thereof, in about 50 words.**	Nil
9.4	**Did your company carry out any consumer survey / consumer satisfaction trends?**	No

ANNEXURE - VII

PTC India Financial Services Limited

New Delhi

CEO and CFO Certificate to the Board

(Under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Date : June 8, 2021

We Certify to the Board that:-

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:-

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-
Dr. Pawan Singh
MD & CEO

Place : New Delhi

Sd/-
Sanjay Rustagi
CFO

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PTC INDIA FINANCIAL SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of PTC India Financial Services Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit including other comprehensive income, 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 standalone 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 (ICAI) 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.

Emphasis of Matter

We draw your attention to Note 53 to the accompanying standalone financial statements which explains the uncertainties and the management's assessment of the impact, due to the lock-downs and other restrictions/ conditions related to Covid-19 pandemic situation, on Company's operations, financial performance and position as at and for the year ended March 31, 2021, including measurement of expected credit loss (ECL) allowance on loans (financial assets) and assessment of liquidity position based upon expected cash flows from/to borrowers/lenders, availability of high quality liquid assets and undrawn committed lines from banks/financial institutions to meet its financial obligations in future. The extent of COVID-19 impact will depend on future developments, which are uncertain at this stage.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Expected Credit Losses (ECL) model** As described in the notes to the standalone financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included: • Determining the criteria for a significant increase in credit risk (`SICR') • Techniques used to determine the Probability of Default (TD') and Loss Given Default (`LGD') • Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows etc. Refer Notes 2 (g), 2 (q), 7 and 45A.2 to the standalone financial statements.	<u>Principal Audit Procedures</u> We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards and prudential norms laid down by RBI. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the impairment reserve, internal credit quality assessments, external credit ratings and methodology followed for computation of ECL. • For Expected Credit Losses computed by the management, we performed the following procedures: (a) Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection; (b) Examined the key data inputs (valuation of collateral, the timing of cash flows and realisations) to the ECL model on a sample basis to assess their accuracy and completeness; (c) Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk. (d) Assessed the Company's methodology for ECL provisioning, Classification and Measurement with the assistance of our internal experts; (e) Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	**Impairment of loans to customers** Allowance for impairment losses on loans to customers involves significant judgement by management to determine the timing and amount of the asset to be impaired. Refer Notes 2 (g), 2 (q), 7 and 45A.2 to the standalone financial statements	**Principal Audit Procedures** We assessed the appropriateness of the Company's impairment review and provisioning policy by comparing with the RBI prudential norms and applicable accounting standards; Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and operating effectiveness of the relevant controls over the impairment assessments and impairment allowance computations for loans and advances to customers. • We tested the management assumptions, estimates and judgements, which could give rise to material misstatement: a. The completeness and timing of recognition of loss events; b. The measurement of provisions for individual instances of loans which is dependent on the valuation of security provided and the collaterals against each loan, the timing of cash flows and realisations; c. We discussed with management and scrutinised the appropriateness of those key assumptions applied in management's impairment assessment, and compared them with available external evidence where necessary. d. The measurement of modelled provisions, which is dependent upon key assumptions relating to probability of default, loss given default and expected future recoveries; e. Performed procedures to obtain comfort on the accuracy of the impairment calculation process through recalculation of the provision charge based on inputs; f. Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.
3	**Evaluation of uncertain tax positions for Income taxes** The Company has material uncertain tax positions relating to matters under litigation for Income taxes. These matters involve significant management judgement to determine the possible outcome of disputes. Refer Note 2 (j), 2 (q) and 34 to the standalone financial statements.	**Principal Audit Procedures** We obtained details of completed income tax assessments during the year ended March 31, 2021 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income taxes. Additionally, we considered the effect of new information in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.

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 Company's Directors' report, Report on Corporate Governance and Management discussion and analysis report, but does not include the standalone financial statements and our auditor's report thereon. The Directors' report, Report on Corporate Governance and Management discussion and analysis report 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 Directors' report, Report on Corporate Governance and Management discussion and analysis report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report 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 it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 50 to the standalone financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company – Refer Note 51 to the standalone financial statements.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABF9575

Place: Gurugram
Date: June 9, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

Auditor's Responsibilities for the Audit of the 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 Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements 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.

For the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABF9575

Place: Gurugram
Date: June 9, 2021

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

i. In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).

(b) All the fixed assets (Property, Plant and Equipment) were physically verified by the management during the year in accordance with a planned program of verifying them once in every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such 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 are held in the name of the Company. In respect of immovable property of building that has been taken on lease and leasehold improvements thereon disclosed as fixed asset in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has granted secured loan to an entity covered in the register maintained under section 189 of the Act.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the rate of interest and other terms and conditions on which the loans have been granted to an entity listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) In case of the loans granted to an entity listed in the register maintained under section 189 of the Act, schedule of repayment of principal and payment of interest have been stipulated and the borrower has been regular in the payment of the principal and interest.

(c) There are no amounts overdue for more than ninety days in respect of the loan granted to an entity listed in the register maintained under section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, making investments, providing guarantees and security made, as applicable. The Company being a non-banking financial company, nothing contained in Section 186, except sub-section (1), shall apply.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated in paragraph 3 (v) of the Order are not applicable to the Company.

vi. Having regard to the nature of Company's business/ activities, provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

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 , undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues, as applicable, were outstanding at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us and examination of records of the Company, there are no disputed dues in respect of Sales Tax, Service Tax, Goods and Services Tax, Value Added tax, as applicable, which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2021 on account of disputes are given below.

Name of the statute	Nature of dues	Amount Involved (Rs. In lakhs)*	Amount unpaid (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,921.78	1,012.91	2012-2017	Income Tax Appellate Authority
Income Tax Act, 1961	Income Tax	750.00	117.90	2010-11, 2012-13, 2014-15, 2017-18	Upto Commissioner (Appeals)

*Amount as per demand orders including interest and penalty wherever indicated in the order.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders. The Company has not taken any loans or borrowings from Government.

ix. In our opinion, according to the information explanation provided to us, money raised by way of term loans (including debt instruments) have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer during the year.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. The Company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABF9575

Place: Gurugram
Date: June 9, 2021

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

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 with reference to standalone financial statements of PTC India Financial Services Limited ("the Company") as of March 31, 2021 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 Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). 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 with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 internal financial controls with reference to standalone financial statements 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 internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABF9575

Place: Gurugram
Date: June 9, 2021

PTC India Financial Services Limited
STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	As at March 31, 2021	As at March 31, 2020
A	**ASSETS**			
1	**Financial assets**			
	a. Cash and cash equivalents	3	48,940.12	22,318.00
	b. Bank balances other than (a) above	4	36,519.90	20,964.80
	c. Derivative financial instruments	5	1,127.65	2,161.77
	d. Trade receivables	6	376.86	396.70
	e. Loans	7	996,110.63	1,036,860.12
	f. Investments	8	37,330.01	35,567.57
	g. Other financial assets	9	62.49	104.99
			1,120,467.66	**1,118,373.95**
2	**Non-financial assets**			
	a. Current tax assets (Net)	10	22,815.17	29,366.70
	b. Deferred tax assets (Net)	11	7,712.35	12,564.37
	c. Property, Plant and Equipment	12	876.88	1,033.44
	d. Right of use-Buildings	12	735.09	1,154.34
	e. Intangible asset	13	16.07	2.09
	f. Other non-financial assets	14	584.34	1,688.88
			32,739.90	**45,809.82**
	TOTAL ASSETS		**1,153,207.56**	**1,164,183.77**
B	LIABILITIES AND EQUITY			
	LIABILITIES			
3	**Financial liabilities**			
	a. Derivative financial instruments	5	-	-
	b. Trade Payables			
	(i) total outstanding dues to micro and small enterprises	35	13.75	13.75
	(ii) total outstanding dues of creditors other than micro and small enterprises		492.21	651.32
	c. Debt securities	15	63,608.80	41,298.10
	d. Borrowings (Other than debt securities)	16	853,810.92	886,193.76
	e. Other financial liabilities	17	22,614.95	23,751.21
			940,540.63	**951,908.14**
4	**Non-financial liabilities**			
	a. Provisions	18	454.63	462.18
	b. Other non-financial liabilities	19	261.87	331.39
			716.50	**793.57**
5	EQUITY			
	a. Equity share capital	20	64,228.33	64,228.33
	b. Other equity	21	147,722.10	147,253.73
			211,950.43	**211,482.06**
	TOTAL LIABILITIES and EQUITY		**1,153,207.56**	**1,164,183.77**
	See accompanying notes forming part of the financial statements	1-56		

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Revenue**			
	a. Revenue from operations			
	(i) Interest income	22	110,524.54	132,425.69
	(ii) Fee and commission income	23	2,183.66	3,486.64
	(iii) Net gain on fair value changes	24	-	117.80
	(iv) Sale of power		348.98	394.88
	b. Other income	25	888.25	546.03
	Total revenue (a+b)		**113,945.43**	**136,971.04**
2	**Expenses**			
	a. Finance costs	26	75,150.23	94,844.64
	b. Fees and commission expense	27	148.02	190.75
	c. Net loss on fair value changes	28	595.82	-
	d. Impairment on financial instruments	29	22,946.97	19,570.55
	e. Employees benefit expenses	30	1,674.33	1,640.92
	f. Depreciation and amortisation expenses	31	595.43	634.16
	g. Other expenses	32	3,492.87	2,886.25
	Total expenses (a+b+c+d+e+f+g)		**104,603.67**	**119,767.27**
3	**Profit before tax (1-2)**		**9,341.76**	**17,203.77**
4	**Tax expense**			
	a. Current tax	33	1,852.83	-
	b. Deferred tax charge/(benefits)	33	4,928.62	6,203.88
	Total tax expense		**6,781.45**	**6,203.88**
5	**Profit for the year (3-4)**		**2,560.31**	**10,999.89**
6	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement loss on defined benefit plans		15.82	(37.51)
	Income tax relating to remeasurement loss on defined benefit plans	11	(3.98)	13.11
	b. Equity instruments through other comprehensive income		(674.67)	-
	Income tax relating to FVTOCI to equity investments	11	117.88	-
			(544.95)	**(24.40)**
	Items that will be reclassified to profit or loss			
	a. Change in cash flow hedge reserve		(74.78)	(336.16)
	Income tax relating to cash flow hedge reserve	11	(37.30)	117.47
			(112.08)	**(218.69)**
	Other comprehensive income/(expense) for the year		**(657.03)**	**(243.09)**
7	**Total comprehensive profit for the year (5+6)**		**1,903.28**	**10,756.80**
	Earnings per equity share:			
	Basic and diluted	48	0.40	1.71
	See accompanying notes forming part of the financial statements	1-56		

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited
STANDALONE STATEMENT OF CASH FLOW AS AT MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit after tax	2,560.31	10,999.89
	Adjustments for:		
	Depreciation,amortisation and Impairment	595.43	634.16
	Impairment on financial instruments	22,946.97	19,570.55
	Provision on capital advances	1,038.85	
	(Gain)/ Loss on sale of property, plant and equipment	0.61	0.82
	Finance costs	75,298.25	95,035.39
	Net (Gain)/ Loss on fair value changes	595.82	(117.80)
	Tax expense	6,781.45	6,203.88
	Operating profit before working capital changes	**109,817.69**	**132,326.89**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loan financing	17,632.21	199,448.04
	Other loans	(3.94)	5.44
	Other financial assets	42.50	(72.05)
	Other non- financial assets	65.69	(109.15)
	Trade receivables	(17.53)	542.12
	Adjustments for increase / (decrease) in operating liabilities:		
	Other financial liabilities	(911.08)	2,464.86
	Provisions	8.27	76.13
	Trade payables	(159.11)	342.53
	Other non- financial liabilities	(69.52)	144.98
	Cash flow from operating activities post working capital changes	**126,405.18**	**335,169.79**
	Income- tax paid	4,698.70	(12,338.05)
	Net cash flow from operating activities (A)	**131,103.88**	**322,831.74**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Capital expenditure on property, plant and equipment, including capital advances	(18.47)	(19.44)
	Proceeds from sale of property, plant and equipment	1.02	0.61
	Purchase of intangible assets	(16.76)	-
	Investment in term desposit	(13,946.40)	(20,441.24)
	Purchase of investments	(4,546.62)	(20,514.91)
	Proceeds from sale/ redemption of investments	2,321.14	2,406.78
	Net cash used in investing activities (B)	**(16,206.09)**	**(38,568.20)**

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	161,869.72	92,614.71
	Repayment of borrowings	(192,280.37)	(246,016.61)
	Repayment of lease liability	(386.78)	-
	Proceeds from debt securities	29,474.58	10,000.00
	Repayment of debt securities	(7,217.82)	(21,995.89)
	Finance costs	(76,844.72)	(93,576.78)
	Dividend paid	(2,890.28)	(5,138.27)
	Tax on dividend	-	(1,056.19)
	Net cash flow from financing activities (C)	**(88,275.67)**	**(265,169.03)**
	Increase in cash and cash equivalents (A+B+C)	26,622.12	19,094.51
	Cash and cash equivalents at the beginning of the year	22,318.00	3,223.49
	Cash and cash equivalents at the end of the year	**48,940.12**	**22,318.00**
	See accompanying notes forming part of the financial statements	1-56	

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited
STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

A Equity Share Capital:

	No. of Shares	Amount
Equity Shares of ₹ 10 each, Issued, Subscribed and Fully Paid-up:		
As at April 1, 2019	642,283,335	64,228.33
Issued during the year	-	-
As at March 31, 2020	**642,283,335**	**64,228.33**
Issued during the year	-	-
As at March 31, 2021	**642,283,335**	**64,228.33**

B Other Equity:

	Reserves and Surplus								Total
	Securities Premium Reserve	Statutory Reserve	Special Reserve	Impairment Reserve	Equity instruments through other comprehensive income	Cash flow hedge reserve	Foreign currency monetary items translation difference account	Retained Earnings	
As at April 1, 2019	61,280.57	32,862.53	29,699.78	-	(18,140.97)	(154.77)	(2,533.57)	39,413.23	142,426.80
Add: Profit for the year	-	-	-	-	-	-	-	10,999.89	10,999.89
Add [Less]: Other comprehensive income	-	-	-	-	-	(218.69)	-	(24.40)	(243.09)
Total Comprehensive Income	-	-	-	-	-	**(218.69)**	-	**10,975.49**	**10,756.80**
Transfer from [to] Reserve	-	2,199.98	-	-	-	-	-	(2,199.98)	-
Transfer from reserve for equity instruments through other comprehensive income	-	-	-	5,768.65	-	-	-	(5,768.65)	-
Transactions with owners in their capacity as owners:									
Dividends	-	-	-	-	-	-	-	(5,138.27)	(5,138.27)
Corporate dividend tax on dividend	-	-	-	-	-	-	-	(1,056.19)	(1,056.19)
Effect of foreign exchange rate variations during the year	-	-	-	-	-	-	(1,653.41)	-	(1,653.41)
Amortisation for the year	-	-	-	-	-	-	1,918.00	-	1,918.00
As at March 31, 2020	**61,280.57**	**35,062.51**	**29,699.78**	**5,768.65**	**(18,140.97)**	**(373.46)**	**(2,268.98)**	**36,225.63**	**147,253.73**
As at April 1, 2020	**61,280.57**	**35,062.51**	**29,699.78**	**5,768.65**	**(18,140.97)**	**(373.46)**	**(2,268.98)**	**36,225.63**	**147,253.73**
Add: Profit for the year	-	-	-	-	-	-	-	2,560.31	2,560.31
Add [Less]: Other comprehensive income	-	-	-	-	(556.79)	(112.08)	-	11.84	(657.03)
Total Comprehensive Income	-	-	-	-	**(556.79)**	**(112.08)**	-	**2,572.15**	**1,903.28**
Transfer from [to] Reserve	-	512.06	4,750.00	-	-	-	-	(5,262.06)	-
Less: Transfer to Impairment Reserve	-	-	-	6,928.33	-	-	-	(6,928.33)	-
Transactions with owners in their capacity as owners:									
Dividends	-	-	-	-	-	-	-	(2,890.28)	(2,890.28)
Corporate dividend tax on dividend	-	-	-	-	-	-		-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	-	-	409.70	-	409.70
Amortisation for the year	-	-	-	-	-	-	1,045.67	-	1,045.67
As at March 31, 2021	**61,280.57**	**35,574.57**	**34,449.78**	**12,696.98**	**(18,697.76)**	**(485.54)**	**(813.61)**	**23,717.11**	**147,722.10**

See accompanying notes forming part of the financial statements 1-56

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

For and on behalf of the Board of Directors

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : Gurugram
Date : June 09, 2021

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited

Notes forming part of the standalone financial statements

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

1. Company overview/Corporate information

PTC India Financial Services Limited ("PFS") is a registered Non-banking finance company (NBFC) with Reserve Bank of India (RBI) and has been awarded the Infrastructure Finance Company (IFC) status by RBI. PFS is set up with an objective to provide total financing solutions to the energy value chain which includes investing in equity or extending debt to road infrastructure projects and power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

The Company's registered office and principal place of business is situated at 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi - 110066. The shares of the Company are listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange.

The standalone and consolidated financial statements for the year ended March 31, 2021 were authorized and approved for issue by the Board of Directors on June 09, 2021.

1A. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statement.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised 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 repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written-down method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. Asset costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over a period of 5 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

c) Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

Fee & Commission income

Income from business correspondent services is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

d) Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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 realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

e) Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Compensation for impairment

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in statement of profit and loss when the compensation becomes receivable.

g) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

The Company considers various factors while considering the recoverability of credit impaired advances. These include nature and value of assets, different resolution channels, interest of potential buyers etc. Considering the typical nature of advances given by the Company, there is significant uncertainty and variability in timing of resolution of these advances. In reference to RBI's prudential norms, the Company does not recognize interest income on these advances on a conservative basis, and the provisioning is considered using current estimate of realization.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

i) Equity investment in associates

Investments representing equity interest in associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

j) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

k) Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

For leases entered into as a lessee

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company does not have any leases as a lessor.

l) **Financial instruments**

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. **Investments in Security Receipts** – Investments in security receipts are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 recognised in the Statement of Profit and Loss.

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.

Derivative financial instruments and hedge accounting

Initial and subsequent measurement

The Company uses derivative financial instruments to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

o) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

p) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

q) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant management estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

r) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2021.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	0.11	0.25
Balances with banks:		
- in current accounts	17,226.36	15,507.75
- in deposit accounts with original maturity of less than three months	31,713.65	6,810.00
	48,940.12	**22,318.00**

4 Other bank balances

Balances with banks-		
- in earmarked accounts		
i. Unclaimed interest on debentures and bonds	2,065.93	461.61
ii. Unclaimed dividend	66.33	61.95
- in deposit accounts with original maturity of more than three months	34,387.64	20,441.24
	36,519.90	**20,964.80**

5 Derivative financial instruments

The Company enters into derivatives for risk management purposes. The Company has various derivative (i.e. cross currency interest rate swaps, call spread and cap spread options) contract which are entered into as an economic hedge for foreign currency and interest rate risks of the Company. The Company has designated cross currency swap contracts under cash flow hedge relationship and hedge accounting has been done.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

	As at March 31, 2021			As at March 31, 2020		
Particulars	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**
Currency derivatives						
- Currency and interest rate swaps	8,764.94	338.40	-	10,873.25	782.94	-
- Call spread option	13,577.96	789.27	-	20,827.26	1,377.77	-
- Cap spread option			0.02		1.06	-
Total derivatives	**22,342.90**	**1,127.67**	**0.02**	**31,700.51**	**2,161.77**	**-**
Included in above are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
- Currency and interest rate swaps	8,764.94	338.40	-	10,873.25	782.94	-
Undesignated derivatives	12,347.79	789.27	0.02	20,827.26	1,378.83	-
Total derivative financial instruments	**21,112.73**	**1,127.67**	**0.02**	**31,700.51**	**2,161.77**	**-**

5.1 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. Currency and interest rate swap contract meets the hedge accounting criteria as per Ind AS 109 and has been accounted as cash flow hedge. The Company has designated this contract in cash flow hedge relationship from January 1, 2019.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(a) **Disclosure of effects of hedge accounting on financial performance**

For the year ended March 31, 2021

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss)	Hedge ineffectiveness recognised in statement of profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge Foreign currency and interest rate risk (i) Currency and interest rate swap	(890.10)	815.32	(74.78)	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

For the year ended March 31, 2020

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss)	Hedge ineffectiveness recognised in statement of profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge Foreign currency and interest rate risk (i) Currency and interest rate swap	(1,660.68)	1,324.52	(336.16)	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For derivative contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. currency and interest rate swap contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. foreign currency loan. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of foreign currency loan. The fair value of actual and hypothetical derivatives are represented by mark to market valuation obtained by the Company from the respective authorised dealers.

(b) **Movements in cash flow hedging reserve**

Particulars	**As at March 31, 2021**	As at March 31, 2020
Opening balance	(373.46)	(154.77)
Add: Changes in fair value of derivative contracts- gain/ (loss)	(890.10)	(1,660.68)
Less: Amount reclassified to profit or loss	815.32	1,324.52
Less: Deferred tax relating to above (net)	(37.30)	117.47
Closing balance	**(485.54)**	**(373.46)**

5.2 Derivatives not designated as hedging instruments

The Company uses currency and interest rate swaps and Call and Cap spread options to manage its interest rate risk and currency risk arising from USD denominated borrowings. The currency and interest rate call and cap spread options are not designated in a hedging relationship and valued based on the mark to market valuation received from the authorised dealers. The change in fair value of these contracts (mark to market) has been recognised in the Statement of Profit or Loss.

6 Trade receivables

Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	414.23	396.70
Credit impaired	-	-
	414.23	**396.70**
Less: Allowance for impairment loss allowance	37.37	-
	376.86	**396.70**

(i) All amounts are short-term. The net carrying amount of trade receivables is considered a reasonable approximation of their fair value.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(ii) **Age of receivables :**

Particulars	As at March 31, 2021	As at March 31, 2020
Within the credit period		
Up to 180 days past due	315.91	355.22
More than 180 days	60.95	41.48
	376.86	**396.70**

7 **Loans**

	As at March 31, 2021	As at March 31, 2020
At amortised cost		
(i) Term loans*	1,058,938.70	1,084,717.64
(ii) Loans to employees	38.42	34.48
Total - Gross	**1,058,977.12**	**1,084,752.12**
Less: Impairment loss allowance	62,866.49	47,892.00
Total - Net	**996,110.63**	**1,036,860.12**
(i) Secured by tangible assets (property, plant and equipment including land and building)**	1,010,431.84	1,001,514.82
(ii) Secured by book debts, inventories, fixed deposit and other working capital items	26,042.08	34,067.78
(ii) Secured by intangible assets	-	-
(ii) Covered by bank and government guarantee	22,500.00	49,166.67
(iii) Unsecured	3.20	2.85
Total - Gross	**1,058,977.12**	**1,084,752.12**
Less: Impairment loss allowance	62,866.49	47,892.00
Total - Net	**996,110.63**	**1,036,860.12**
Loans in India* **		
(i) Public sector	245,268.23	189,554.62
(ii) Others	813,708.89	895,197.50
Total - Gross	**1,058,977.12**	**1,084,752.12**
Less: Impairment loss allowance	62,866.49	47,892.00
Total - Net	**996,110.63**	**1,036,860.12**

* Includes interest accrued.

** Based on the value of tangible assets/project assets provided as security.

*** The Company does not hold any loans outside India.

The net carrying amount of loans is considered a reasonable approximation of their fair value.

Refer note 45 A on credit risk

8 **Investments**

	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
Investments in India										
Investment in equity instruments										
(a) Investment in associates										
61,121,415 (March 31, 2020: 61,121,415;) equity shares of ₹ 10 held in R.S. India Wind Energy Private Limited	-	-	-	6,112.14	**6,112.14**	-	-	-	6,112.14	**6,112.14**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
4,390,000 (March 31, 2020:4,390,000) equity shares of ₹10 held in Varam Bio Energy Private Limited	-	-	-	439.00	**439.00**	-	-	-	439.00	**439.00**
(b) Investment in other companies (Refer Note (i) below)										
133,385,343 (March 31, 2020: 133,385,343;) equity shares of ₹ 10 held in East Coast Energy Private Limited	-	-	-	-	-	-	-	-	-	-
8,180,000 (March 31, 2020: 8,180,000;) equity shares of ₹ 10 held in Adhunik Power and Natural Resources Limited	-	-	-	-	-	-	-	-	-	-
39,831,212 (March 31, 2020: 39,831,212;) equity shares of ₹ 10 held in Athena Chattisgarh Power Limited	-	-	-	-	-	-	-	-	-	-
12,132,677 (March 31, 2020: 12,132,677;) equity shares of ₹ 10 held in Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	-	-
21,904,762 (March 31, 2020: Nil) equity shares held in Patel Engineering Limited (Face Value of ₹1 acquired at ₹ 14.78 in the OTS settlement with M/s Dirang Energy Pvt. Ltd).	-	2,562.85	-	-	**2,562.85**	-	-	-	-	-
Investment in optionally convertible debentures										
(a) Investment in associates										
90 (March 31, 2020: 90) optionally convertible debentures of ₹ 10 held in Varam Bio Energy Private Limited	-	-	-	428.58	**428.58**	-	-	-	428.58	**428.58**
Investment in optionally convertible debentures										
(a) Investment in others	-	-	21,824.01	-	**21,824.01**	-	-	20,514.91	-	**20,514.91**
200 (March 31, 2020: 200) optionally convertible debentures of ₹ 10,000,000 held in Ostro Energy Private Limited										
Investment in security receipts										
307,470 (March 31, 2020: 307,470) security receipts of face value ₹1000 each held in Edelweiss Assets Reconstruction Co Ltd (13,200 @ ₹ 939.19 (previous year - ₹ 960.93) and 294,270 @ ₹ 984.04 (previous year - ₹ 991.21)) held in Adhunik Power and Natural Resources Limited.	3,019.71	-	-	-	**3,019.71**	3,043.68	-	-	-	**3,043.68**
Nil (March 31, 2020: 233,750) security receipts of ₹ 1000 each held in Phoenix ARC Pvt Ltd-Raigarh Champa Rail Infrastructure Private Limited (233,750 @ ₹ 550 each)	-	-	-	-	-	1,285.63	-	-	-	**1,285.63**
552,500 (March 31, 2020: 552,500 face value ₹ 1000 each) security receipts of held in Phoenix ARC Pvt Ltd-Sispara Renewable Pvt Ltd (552,500 @ ₹ 399 (previous year - ₹ 516 each).	2,204.47	-	-	-	**2,204.47**	2,850.90	-	-	-	**2,850.90**

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
7,99,000 (March 31, 2020: 7,99,000;) security receipts of ₹ 1000 each held in Phoenix ARC Pvt Ltd- RKM Powergen Pvt Ltd. (7,99,000 @ ₹ 984 (previous year - ₹ 1000) each)	7,862.16	-	-	-	**7,862.16**	7,990.00	-	-	-	**7,990.00**
Total Investments (A)	**13,086.34**	**2,562.85**	**21,824.01**	**6,979.72**	**44,452.92**	**15,170.21**	-	**20,514.91**	**6,979.72**	**42,664.84**
Less: Allowance for Impairment Loss (B)	-	-	143.19	6,979.72	**7,122.91**	-	-	117.55	6,979.72	**7,097.27**
Total Net C= (A)-(B)	**13,086.34**	**2,562.85**	**21,680.82**	-	**37,330.01**	**15,170.21**	-	**20,397.36**	-	**35,567.57**

Note:

(i) Fair value at initial recognition of investment in other companies accounted at fair value through other comprehensive income is as follows:

Particulars	**As at March 31, 2021**	As at March 31, 2020
East Coast Energy Private Limited	13,338.53	13,338.53
Adhunik Power and Natural Resources Limited	819.32	819.32
Athena Chattisgarh Power Limited	3,983.12	3,983.12
Prayagraj Power Generation Company Limited	-	-
Patel Engineering Limited	3,237.52	-
	21,378.49	**18,140.97**

(ii) Investments acquired through invocation of pledge shares (collaterals) has not been considered as an investment.

9 Other financial assets

Security deposits	62.49	57.49
Others	-	47.50
	62.49	**104.99**

10 Current tax assets (net)

Tax assets		
Advance income tax	96,578.10	101,783.40
Taxes paid under dispute*	2,540.97	2,034.37
Tax liabilities		
Provision for income tax	76,303.90	74,451.07
	22,815.17	**29,366.70**

*Includes amounts under dispute by company/other party. Refer Note 52

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

11 Deferred tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment and intangible assets	104.20	61.47
Foreign currency monetary items translation difference account	117.43	646.08
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	10,378.29
Financial liabilities measured at amortised cost	821.36	661.67
	9,713.31	**11,747.51**
Tax effect of items constituting deferred tax assets		
Provision for employees benefits	114.42	161.50
Impairment on financial instruments	15,834.28	17,106.62
Accrued interest deductible on payment	13.90	29.40
Provision for diminution in value of unquoted non-current trade investments	251.08	127.22
Financial assets measured at amortised cost	1,019.54	1,423.39
Tax loss	-	5,232.22
Cash flow hedge reserve	163.30	200.60
Lease liability	29.14	30.93
	17,425.66	**24,311.88**
Deferred tax (assets) /liabilities (net)	**(7,712.35)**	**(12,564.37)**

Deferred taxes arising from temporary differences for the year ended March 31, 2021 and March 31, 2020 are summarized as follows:

Deferred tax assets/(liabilities)	As at April 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	61.47	42.73	-	104.20
Foreign currency monetary items translation difference account	646.08	(528.65)	-	117.43
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	10,378.29	(1,707.97)	-	8,670.32
Financial liabilities measured at amortised cost	661.67	159.69	-	821.36
	11,747.51	**(2,034.20)**	**-**	**9,713.31**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	161.50	(43.10)	(3.98)	114.42
Impairment on financial instruments	17,106.62	(1,272.34)	-	15,834.28
Accrued interest deductible on payment	29.40	(15.50)	-	13.90
Losses/ diminution in value of investments	127.22	5.98	117.88	251.08
Financial assets measured at amortised cost	1,423.39	(403.85)	-	1,019.54
Tax loss	5,232.22	(5,232.22)	-	-
Cash flow hedge reserve	200.60	-	(37.30)	163.30
Lease liability	30.93	(1.79)	-	29.14
	24,311.88	**(6,962.82)**	**76.60**	**17,425.66**
Deferred tax (assets) /liabilities (net)	**(12,564.37)**	**4,928.62**	**(76.60)**	**(7,712.35)**

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Deferred tax assets/(liabilities)	As at April 1, 2019	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	29.82	31.65	-	61.47
Foreign currency monetary items translation difference account	885.02	(238.94)	-	646.08
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	10,378.29	-	-	10,378.29
Financial liabilities measured at amortised cost	412.07	249.60	-	661.67
	11,705.20	**42.31**	**-**	**11,747.51**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	121.79	26.60	13.11	161.50
Impairment on financial instruments	25,723.54	(8,616.92)	-	17,106.62
Accrued interest deductible on payment	38.60	(9.20)	-	29.40
Losses/ diminution in value of investments	99.84	27.38	-	127.22
Financial assets measured at amortised cost	2,177.66	(754.27)	-	1,423.39
Tax loss	2,098.31	3,133.91	-	5,232.22
Cash flow hedge reserve	83.13	-	117.47	200.60
Lease liability	-	30.93	-	30.93
	30,342.87	**(6,161.57)**	**130.58**	**24,311.88**
Deferred tax (assets) /liabilities (net)	**(18,637.67)**	**6,203.88**	**(130.58)**	**(12,564.37)**

The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, has recognised current tax for the year ended March 31, 2021. Also, deferred tax assets/liabilities has been remeasured on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financials year by revising the annual effective income tax rate.

12 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Right of use-Buildings	Leasehold improvements	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Office equipment	Total
Gross carrying amount (at cost)										
As at April 1, 2019	**-**	**456.24**	**-**	**11.94**	**3,522.75**	**100.05**	**174.41**	**66.29**	**210.00**	**4,541.68**
Additions	1,574.76	-	3.50	-	-	-	13.04	-	2.89	1,594.19
Disposals	-	-	-	-	-	-	7.68	-	2.90	10.58
As at March 31, 2020	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**179.77**	**66.29**	**209.99**	**6,125.29**
Additions	-	-	-	-	-	-	11.78	-	6.69	18.47
Disposals	-	-	-	-	-	-	11.24	-	3.47	14.71
As at March 31, 2021	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**180.31**	**66.29**	**213.21**	**6,129.05**
Accumulated depreciation										
As at April 1, 2019	**-**	**343.44**	**-**	**4.37**	**2,581.11**	**68.80**	**133.09**	**16.13**	**167.52**	**3,314.46**
Charge for the year	420.42	23.97	-	0.37	120.18	8.10	26.67	15.70	16.79	632.20
Disposals/Adjustments	-	-	-	-	-	-	7.24	-	1.91	9.15
As at March 31, 2020	**420.42**	**367.41**	**-**	**4.74**	**2,701.29**	**76.90**	**152.52**	**31.83**	**182.40**	**3,937.51**
Charge for the year	419.25	23.97	-	0.35	104.58	5.98	17.01	10.76	10.75	592.65
Disposals/Adjustments	-	-	-	-	-	-	10.68	-	2.40	13.08
As at March 31, 2021	**839.67**	**391.38**	**-**	**5.09**	**2,805.87**	**82.88**	**158.85**	**42.59**	**190.75**	**4,517.08**
Net carrying amount										
As at March 31, 2020	**1,154.34**	**88.83**	**3.50**	**7.20**	**821.46**	**23.15**	**27.25**	**34.46**	**27.59**	**2,187.78**
As at March 31, 2021	**735.09**	**64.86**	**3.50**	**6.85**	**716.88**	**17.17**	**21.46**	**23.70**	**22.46**	**1,611.97**

(i) Refer note 41 for information on property, plant and equipment pledged as security by the Company.

(ii) Lease of office building is recognised as right-of-use assets in accordance with Ind AS 116. Refer note 46

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

13 Intangible asset

	Computer software	Total
Gross carrying amount (at cost)		
As at April 1, 2019	**265.17**	**265.17**
Additions	-	
Disposals	-	-
As at March 31, 2020	**265.17**	**265.17**
Additions	16.76	16.76
Disposals	-	-
As at March 31, 2021	**281.93**	**281.93**
Accumulated depreciation		
As at April 1, 2019	**261.12**	**261.12**
Charge for the year	1.96	1.96
Adjustments	-	-
As at March 31, 2020	**263.08**	**263.08**
Charge for the year	2.78	2.78
Adjustments	-	-
As at March 31, 2021	**265.86**	**265.86**
Net carrying amount		
As at March 31, 2020	2.09	2.09
As at March 31, 2021	16.07	16.07

14 Other non-financial assets

Particulars	**As at March 31, 2021**	As at March 31, 2020
Capital advances*	1,538.85	1,538.85
Provision for advances	(1,038.85)	-
	500.00	**1,538.85**
Prepaid expense	68.36	64.40
Balances with government authorities	15.98	85.63
	584.34	**1,688.88**

*The Company and its Holding Company (PTC India Limited) had signed an agreement in March, 2017 for acquisition of land (share of 50% each) situated at Greater Noida Expressway, Noida, Uttar Pradesh to be used for construction of office building of PTC Group. Accordingly, the Company deposited its share of the transfer charges of ₹1,025.79 lakhs with Yamuna Expressway Industrial Development Authority (YEIDA) for transfer of the land. Subsequently, YEIDA cancelled the approval for transfer and forfeited the transfer charges deposited, citing the reason as delay in registration, however, the delay was not attributable to the Company. The Company has filed an appeal before Principal Secretary, Urban Development, Government of UP as per directions of Allahabad High Court for retrieving the forfeited amount. Presently, the matter is pending before Principal Secretary, Government of UP. During the year, the Company and the holding company have decided to cancel the land deal considering various factors i.e. land cost, increased capex cost over the period coupled with the seller's intention to withdraw from the deal etc. Therefore, it has been considered appropriate to create a provision against amount forfeited by YEIDA and other incidental expenses amounting to ₹ 1,038.85 lakhs as at March 31, 2021.

15 Debt securities

At amortised cost		
Unsecured		
Commercial paper (i)	29,474.58	-
Secured		
Infrastructure bonds (ii)	10,919.55	13,637.35
Debentures (iii) #	23,214.67	27,660.75
Total	**63,608.80**	**41,298.10**
Debt securities in India	43,392.93	18,137.35
Debt securities outside India	20,215.87	23,160.75
	63,608.80	**41,298.10**

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Commercial paper

Commercial paper are unsecured and privately placed and carries interest of 7.60% p.a. Repayable in a bullet payment at the end of 12 months from date of disbursement i.e. June 29, 2020.

(ii) Infrastructure bonds

NIL (March 31, 2020: 51,272) privately placed 8.25%/8.30% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 1) amounting to ₹ NIL (March 31, 2020: ₹ 2,563.60 lakhs) allotted on March 31, 2011 redeemable at par in 5 to 10 years commenced from March 31, 2016 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other unencumbered receivables of the Company to provide 100% security coverage. During the year, the company has repaid ₹ 2,563.60 lakhs (March 31, 2020: ₹ 51.15 lakhs) under final repayment as due in in FY2020-21 as per terms of Infra Series 1.

218,391 (March 31, 2020: 221,473) privately placed 8.93%/9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 2) amounting to ₹ 10,919.55 lakhs (March 31, 2020: ₹ 11,073.75 lakhs) allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other receivables of the Company to provide the 100% security coverage. During the year, the company has repaid ₹ 154.10 lakhs (March 31, 2020: ₹ 399.35 lakhs) under buyback scheme exercised by eligible holders of infrastructure bonds in FY2020-21 as per terms of Infra Series 2.

(iii) Debentures

900 (March 31, 2020: 900) privately placed 10.50% secured redeemable non-convertible debentures of ₹ 333,333 each (March 31, 2020: ₹ 500,000 each) (Series 3) amounting to ₹ 3,000.00 lakhs (March 31, 2020: ₹ 4,500.00 lakhs) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018.

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

2,135 (March 31, 2020: 2,135) privately placed 9.62% secured redeemable non-convertible debentures of ₹ 670,000 each (March 31, 2020 : ₹ 670,000 each) (Series 4) amounting to ₹ 14,304.50 lakhs (March 31, 2020 : ₹ 14,304.50 lakhs were allotted on June 03, 2015 redeemable at par in 3 tranches divided in 33% of face value on May 28, 2019, 33% of face value on May 28, 2021 and balance 34% of face value on May 28, 2025.

Series 4 debentures are secured by way of first charge by way of hypothecation of the specified receivables of the Company comprising asset cover of at least 110% of the amount of the Debentures

1,500 (March 31, 2020: 1,500) privately placed 9.80% secured redeemable non-convertible debentures of ₹ 400,000 each (March 31, 2020 : 6,00,000 each) (Series 5) amounting to ₹ 6,000.00 lakhs (March 31, 2020: ₹ 9,000.00 lakhs) were allotted on June 16, 2015 redeemable at par in five equal annual instalments commencing from June 12, 2018

Series 5 debentures are secured by way of first ranking exclusive charge by way of hypothecation of the identified receivables of the Company comprising asset cover of at least 100% of the amount of the Debentures

#Net of Ind AS adjustments in respect of transaction costs at Effective Interest Rate (EIR) amounting to ₹ 89.83 lakhs (March 31, 2020: ₹ 143.75 lakhs)

16 Borrowings (other than debt securities)

Particulars	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Loans		
- from banks (i)	800,685.09	843,090.07
- from financial institutions (ii)	30,000.00	10,273.68
-External commercial borrowings from financial institutions (iii)	22,284.05	31,601.45
Lease liability	841.78	1,228.56
Total	**853,810.92**	**886,193.76**
Borrowings in India	831,526.87	854,592.31
Borrowings outside India	22,284.05	31,601.45
Total	**853,810.92**	**886,193.76**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Term loan from bank

Term loans from banks carry interest ranging from 6.70% to 9.50% p.a. The loans carry various repayment schedules according to their respective sanctions and thus are repayable in 12 to 48 quarterly instalments. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation (other than assets created/ to be created in favour of specific lenders) so that lenders should have at least 100%/ 111% security coverage on its outstanding loan at all times during the currency of the loan.

(ii) Term loan from financial institution

Loan from financial institution carries interest of 6.75% p.a. The loan is repayable in a bullet payment at the end of 12 months from date of disbursement. The loan is secured by first pari-passu charge over entire receivables (excluding receivables specifically charged to other lenders)/ book debts of company covering 100% of the principal outstanding loan at any point of time.

(iii) External commercial borrowings

External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a. The loans are repayable in 32/36 equal quarterly instalments as per the due dates specified in the respective loan agreements. The borrowings are secured by way of first ranking exclusive charge on all present and future receivables of the eligible loan assets created by the proceeds of ECB. During the year ended March 31, 2021, four quarterly repayments of ECB loans has been made amounting to USD 11,638,888 (₹ 8,471.49 Lakhs).

17 Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due on borrowings		
- Term loan	285.44	1,397.32
- Debentures	699.49	819.86
- Infrastructure bonds	9,564.96	10,166.60
Unclaimed dividend	66.33	61.95
Unclaimed interest on debentures and bonds	2,065.93	461.61
Deferred processing/upfront fees	1,249.05	938.67
Income received in advance	672.40	182.20
Security deposit from borrowers	8,011.35	9,723.00
	22,614.95	**23,751.21**

18 Provisions

Gratuity	217.21	191.04
Compensated absences	168.27	211.98
Other employees benefits	69.15	59.16
	454.63	**462.18**

19 Other non-financial liabilities

Statutory remittances	261.87	331.39
	261.87	**331.39**

20 Equity share capital

Authorised Equity share capital		
1,250,000,000 (March 31, 2020: 1,250,000,000) equity shares of ₹ 10 each	125,000.00	125,000.00
Authorised Preference share capital		
750,000,000 (March 31, 2020: 750,000,000) preference shares of ₹10 each	75,000.00	75,000.00
Total	**200,000.00**	**200,000.00**
Issued, subscribed and paid up Equity share capital		
642,283,335 (March 31, 2020: 642,283,335) equity shares of ₹ 10 each fully paid up	64,228.33	64,228.33
	64,228.33	**64,228.33**

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(i) **Movement in issued, subscribed and paid up Equity Share Capital**

Particulars	Equity Share Capital	
	Number of shares	Amount
As at April 1, 2019	**642,283,335**	**64,228.33**
Add: Equity shares issued during the year	-	-
As at March 31, 2020	**642,283,335**	**64,228.33**
Add: Equity shares issued during the year	-	-
As at March 31, 2021	**642,283,335**	**64,228.33**

(ii) **Shareholders holding more than 5% shares are set out below:**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	%	Number of shares	%
PTC India Limited#	417,450,001	64.99	417,450,001	64.99

#Holding company by virtue of holding more than one-half of equity share capital.

(iii) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

21 **Other equity**

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium account	61,280.57	61,280.57
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	35,574.57	35,062.51
Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)	34,449.78	29,699.78
Impairment reserve	12,696.98	5,768.65
Equity instruments through other comprehensive income	(18,697.76)	(18,140.97)
Cash flow hedge reserve	(485.54)	(373.46)
Foreign currency monetary items translation difference account	(813.61)	(2,268.98)
Retained earnings	23,717.11	36,225.63
Total	**147,722.10**	**147,253.73**

(i) **Securities premium account**

Opening balance	**61,280.57**	**61,280.57**
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	**61,280.57**	**61,280.57**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii) **Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)**

Opening balance	**35,062.51**	**32,862.53**
Add: Transferred from Retained earnings	512.06	2,199.98
Closing balance	**35,574.57**	**35,062.51**

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1961.The reserve is utilised in accordance with the provisions of the relevant statutes.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(iii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	**29,699.78**	29,699.78
Add: Transferred from Retained Earnings	4,750.00	-
Closing balance	**34,449.78**	29,699.78

This reserve is maintained in accordance with the provisions of Section 36(1) (viii) of the Income tax Act, 1961. The reserve is utilised in accordance with the provisions of the relevant statutes.

(iv) Impairment Reserve

Opening balance	**5,768.65**	-
Add: Transferred from Retained Earnings	6,928.33	5,768.65
Closing balance	**12,696.98**	**5,768.65**

This reserve is maintained in accordance with the RBI Circular on Implementation of Ind AS dated March 13, 2021.The reserve is utilised in accordance with the provisions of the relevant circular. Refer note 47

(v) Equity instruments through other comprehensive income

Opening balance	**(18,140.97)**	**(18,140.97)**
Add: Change in fair value of FVOCI equity investments	(674.67)	-
Add/less: Tax impact	117.88	-
Closing balance	**(18,697.76)**	**(18,140.97)**

The Company has elected to recognise changes in fair value of equity investments in other comprehensive income. These changes are accumulated within the "Reserve for equity instruments through other comprehensive income". The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(vi) Cash flow hedge reserve

Opening balance	**(373.46)**	**(154.77)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	(890.10)	(1,660.68)
Less: Amount reclassified to profit or loss	815.32	1,324.52
Less: Tax impact	(37.30)	117.47
Closing balance	**(485.54)**	**(373.46)**

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with its foreign currency borrowings. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to profit or loss when hedged item affects profit or loss.

(vii) Foreign currency monetary items translation difference account

Opening balance	**(2,268.98)**	**(2,533.57)**
Add/(less): Effect of foreign exchange rate variations during the year (net)	409.70	(1,653.41)
Add/less: Amortisation for the year through profit or loss	1,045.67	1,918.00
Closing balance	**(813.61)**	**(2,268.98)**

Foreign currency monetary items translation difference account comprises of the unamortised loss/gain on long term foreign currency monetary items (except derivative financial instruments), for which the Previous GAAP policy is carried forward.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(viii) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	**36,225.63**	**39,413.23**
Add: Net profit for the year	2,560.31	10,999.89
Add: Remeasurement of post-employment benefit obligation, net of tax	11.84	(24.40)
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(512.06)	(2,199.98)
Less: Transferred to special reserve u/s 36(1)(viii) of the Income tax Act Act, 1961	(4,750.00)	-
Less: Trasfer to Impairment Reserve	(6,928.33)	(5,768.65)
Less: Dividend on equity shares [₹ 0.45 per equity share (March 31, 2019: Re. 0.80 per equity share]	(2,890.28)	(5,138.27)
Less: Tax on equity dividend	-	(1,056.19)
Closing balance	**23,717.11**	**36,225.63**
Distributions made and proposed		
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2020: ₹ 0.45 per share (March 31, 2019: ₹ 0.80 per share)	2,890.28	5,138.27
Dividend Distribution tax on final dividend	-	1,056.19
Proposed dividend on Equity Shares:		
Final dividend for the year ended March 31, 2021: ₹ Nil per share (March 31, 2020: ₹ 0.45 per share)	-	2,890.28

22 Interest income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income from loan financing	106,024.52	130,834.14
Interest income from debentures	2,571.55	1,305.56
Interest on fixed deposits	1,921.26	278.96
Interest income on other financial assets	7.21	7.03
	110,524.54	**132,425.69**

23 Fee and commission Income

Fee based income	2,183.66	3,486.64
	2,183.66	**3,486.64**

24 Net gain on fair value changes

Net gain /(loss) on financial instruments at fair value through profit or loss		
- Gain on MTM of derivatives	-	117.80
	-	**117.80**

25 Other income

Consultancy and other services	89.89	14.09
Profit on sale of property, plant and equipment	0.48	0.34
Interest on income tax refund	773.47	3.88
Miscellaneous Income	24.41	527.72
	888.25	**546.03**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

26 Finance costs (on financial liabilities measured at amortised cost)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses on:		
Borrowings:		
-On Loans from banks/ financial institutions	66,284.19	84,396.95
-On External commercial borrowings	1,609.17	2,295.17
-On lease liability	105.46	142.14
Debt securities		
-On Infra bonds	2,087.15	2,031.11
-On Debentures	2,515.17	3,094.26
-On Commercial paper	1,588.14	301.94
Other interest expenses:		
- Delayed payment of income tax	-	0.10
- Interest expense on security deposits	696.24	658.45
Other Borrowing Costs:		
- Loss/amortisation of foreign currency transaction/transalation*	264.71	1,924.52
	75,150.23	**94,844.64**

*Net of realised gain on repayment of foreign currency loans amounting to ₹ 780.96 lakhs. Refer Note 21 (vii)

27 Fees and commission expense

Other charges on term loans and other borrowings	148.02	190.75
	148.02	**190.75**

28 Net loss on fair value changes

Net loss on financial instruments at fair value through profit or loss		
-Loss on MTM of derivatives	595.82	-
	595.82	**-**

29 Impairment on financial instruments

Impairment loss on financial instruments based on category of financial instrument:		
Loans*	23,121.22	18,809.82
Others	(174.25)	760.73
	22,946.97	**19,570.55**

* Refer note 45 (A.4)

30 Employees benefit expense

Salaries and other allowances	1,508.10	1,439.49
Contribution to provident fund	62.09	61.52
Staff welfare expense	104.14	139.91
	1,674.33	**1,640.92**

31 Depreciation and amortisation expense

Depreciation on tangible assets and right-of-use (Refer note 12)	592.65	632.20
Amortisation on intangible assets (Refer note 13)	2.78	1.96
	595.43	**634.16**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

32 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	49.38	36.19
Repairs and maintenance		
- Plant and equipment	109.68	104.69
- others	94.21	71.79
Insurance	6.99	20.97
Rates and taxes	21.86	4.57
Communication	28.31	28.99
Travelling and conveyance	13.54	86.77
Advertising and business development	19.33	74.57
Donation	-	40.67
Corporate social responsibility expenses	252.30	641.27
Legal and professional	1,567.05	1,419.30
Auditor remuneration:		
- For statutory audit	8.18	18.60
- For quarterly audit/limited review	14.72	16.92
- For tax audit	1.64	1.86
- For other certification and reporting	2.73	7.68
- For out of pocket expenses	0.12	3.72
Loss on sale of property, plant and equipment	1.09	0.82
AGM expenses	7.73	20.16
Bank charges	5.78	3.59
Directors' sitting fees	73.24	87.64
Provision on capital advances	1,038.85	-
Miscellaneous expenses	176.14	195.48
	3,492.87	**2,886.25**

33 Income tax expense

Income tax expense recognised in Statement of profit and loss

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax		
In respect of the current year	1,852.83	-
	1,852.83	-
Deferred tax charge/ (benefits)		
In respect of the current year	4,928.62	6,203.88
	4,928.62	6,203.88

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:-

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	9,341.76	17,203.77
Domestic tax rate	25.168%	34.944%
Expected tax expense [A]	**2,351.13**	**6,011.69**
Adjustment on account of non-deductible expenses and special reserve	798.46	265.97
Reversal during tax holiday period	116.83	(73.78)
Adjustment for change in tax rate during the year	3,515.03	-
Others	-	-
	4,430.32	**192.19**
Actual tax expense [C=A+B]	**6,781.45**	**6,203.88**
Tax expense comprises:		
In respect of the current year	1,852.83	-
Deferred tax credit	4,928.62	6,203.88
Tax earlier year	-	-
Tax expense recognized in profit or loss [D]	**6,781.45**	**6,203.88**
Income tax expense recognized in other comprehensive income		
Income tax relating to cash flow hedge reserve	(37.30)	117.47
Income tax relating to remeasurement gains/(losses) on defined benefit plans	(3.98)	13.11
Income tax relating to FVTOCI to equity investments	117.88	-
	76.60	**130.58**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will be reclassified to profit or loss	(37.30)	117.47
Items that will not be reclassified to profit or loss	113.90	13.11
	76.60	**130.58**

34 Contingent liabilities and commitments

Particulars	As at March 31, 2021	As at March 31, 2020
a) In respect of following:		
- Income tax matters	3,671.78	3,163.15
b) Commitments		
- Loan financing	34,259.50	38,942.00
- Capital commitments	-	5,150.00

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on financial position of the Company. Amount above does not include the contingencies the likelihood of which is remote.

35 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

Principal amount remaining unpaid to any supplier as at the end of the accounting year/period.	13.75	13.75
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year/period.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year/period.	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

* No interest is payable on outstanding amount.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

36 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at April 1, 2019	**53,229.44**	**1,038,603.79**	**1,091,833.23**
Cash flows:			
Proceeds from debt securities/borrowings	10,000.00	92,614.71	102,614.71
Repayment of debt securities/borrowings	(21,995.89)	(246,016.61)	(268,012.50)
Repayment of lease liability	-	(326.67)	(326.67)
Non-cash:			
Impact on account of Ind AS 116 transition	-	1,555.23	1,555.23
Foreign currency fluctuation impact	-	(264.59)	(264.59)
Impact of borrowings measured at amortised cost	64.55	27.90	92.45
As at March 31, 2020	**41,298.10**	**886,193.76**	**927,491.86**
Cash flows:			
Proceeds from debt securities/borrowings	29,474.58	161,869.72	191,344.30
Repayment of debt securities/borrowings	(7,217.82)	(192,280.37)	(199,498.19)
Repayment of lease liability	-	(386.78)	(386.78)
Non-cash:			
Foreign currency fluctuation impact	-	(1,455.37)	(1,455.37)
Impact of borrowings measured at amortised cost	53.94	(130.04)	(76.10)
As at March 31, 2021	**63,608.80**	**853,810.92**	**917,419.72**

37 Disclosures under Ind AS 19 (Employee benefits)

The details of various employee benefits provided to employees are as under:

Defined contribution plans

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Provident fund	62.09	61.52

Defined benefit plans:

The Company has following defined benefit plans for its employees

- Gratuity: The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

- Post-Retirement Medical Benefit: The Company operates post-employment medical benefits scheme. The liability is recognised on the basis of actuarial valuation.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk , longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by Mr. K.K. Dharni (FIAI M.No. 00051) , Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Principal assumptions:	Gratuity/Post Medical retirement benefit	
	As at March 31, 2021	As at March 31, 2020
Discount rate	6.79%	6.76%
Future salary increase	8.50%	8.50%
Retirement age	60/62	60/62
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Service cost				
Current service cost	28.05	27.82	7.02	6.71
Past service cost and (gain)/Loss from settlements	-	-	-	-
Net interest expense	12.91	10.76	4.00	2.29
Component of defined benefit cost recognised in profit or loss	**40.96**	**38.58**	**11.02**	**9.00**
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0.11	-	0.13
Actuarial (gains)/ losses arising from changes in financial assumptions	(7.02)	9.46	2.17	7.00
Actuarial (gains)/ losses arising from experience adjustments	(7.77)	7.70	(3.20)	13.11
Component of defined benefit cost recognised in Other comprehensive Income	**(14.79)**	**17.27**	**(1.03)**	**20.24**

The Current Service Cost and the net interest expense for the year are included in the Employee benefits expenses line items in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Present value of obligation as at the beginning	191.04	140.61	59.16	29.92
Current service cost	28.05	27.82	7.02	6.71
Interest cost	12.91	10.76	4.00	2.29
Past service cost including curtailment gains/ losses	-	-	-	-
Benefits paid	-	(5.42)	-	-
Net actuarial (gain) / loss recognised	(14.79)	17.27	(1.03)	20.24
Present value of obligation as at the end	217.21	191.04	69.15	59.16

The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of defined benefit plans to the amounts presented in the statement of balance sheet is presented below:

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Present Value of unfunded defined benefit obligation	217.21	191.04
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**217.21**	**191.04**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Post Medical retirement benefit	
	As at March 31, 2021	As at March 31, 2020
Present Value of unfunded defined benefit obligation	69.15	59.16
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**69.15**	**59.16**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 0.5 basis points higher (lower), the defined benefit obligation would decrease by ₹ 24.65 lakhs (increase by ₹ 27.25 lakhs) [March 31, 2020: 22.06 lakhs (increase by ₹ 24.41 lakhs)].

- If the expected salary growth increases (decreases) by 0.5 basis points, the defined benefit obligation would increase by ₹ 13.80 lakhs (decrease by ₹ 12.72 lakhs) [March 31, 2020: increase by ₹ 12.86 lakhs (decrease by ₹ 11.82 lakhs)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2021	As at March 31, 2020
Average duration of the defined benefit obligation (in years)		
Less than 1 year	3.42	2.56
Between 1-2 years	8.95	16.77
Between 2-5 years	50.27	44.57
Over 5 years	223.73	186.30
Total	**286.37**	**250.20**

38 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2021			March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	48,940.12	-	48,940.12	22318	-	22,318.00
Bank balances other than (a) above	36,519.90	-	36,519.90	9305.81	11,658.99	20,964.80
Derivative financial instruments	-	1,127.65	1,127.65	-	2,161.77	2,161.77
Trade receivables	376.86	-	376.86	396.7	-	396.70
Loans	252,696.40	743,414.23	996,110.63	85,337.33	951,522.79	1,036,860.12
Investments	-	37,330.01	37,330.01	-	35,567.57	35,567.57
Other financial assets	-	62.49	62.49	-	104.99	104.99

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	March 31, 2021			March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial assets						
Current tax assets (Net)	-	22,815.17	22,815.17	-	29,366.70	29,366.70
Deferred tax assets (Net)	-	7,712.35	7,712.35	-	12,564.37	12,564.37
Property, Plant and Equipment	-	876.88	876.88	-	1,033.44	1,033.44
Right of use-Buildings	-	735.09	735.09	-	1,154.34	1,154.34
Intangible asset	-	16.07	16.07	-	2.09	2.09
Other non-financial assets	84.34	500.00	584.34	150.03	1,538.85	1,688.88
Total Assets	**338,617.62**	**814,589.94**	**1,153,207.56**	**117,507.87**	**1,046,675.90**	**1,164,183.77**
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Payables						
Trade Payables						
(i) total outstanding dues to micro and small enterprises	13.75	-	13.75	13.75	-	13.75
(ii) total outstanding dues of creditors other than micro and small enterprises	492.21	-	492.21	651.32	-	651.32
Debt securities	51,940.13	11,668.67	63,608.80	18,137.25	23,160.85	41,298.10
Borrowings (Other than debt securities)	210,384.88	643,426.04	853,810.92	179,638.97	706,554.79	886,193.76
Other financial liabilities	19,895.90	2,719.05	22,614.95	14,173.54	9,577.67	23,751.21
Non-financial liabilities						
Provisions	15.19	439.44	454.63	7.65	454.53	462.18
Other non-financial liabilities	261.87	-	261.87	331.39	-	331.39
Total Liabilities	**283,003.93**	**658,253.20**	**941,257.13**	**212,953.87**	**739,747.84**	**952,701.71**
Net equity	**55,613.69**	**156,336.74**	**211,950.43**	**(95,446.00)**	**306,928.06**	**211,482.06**

39 Segment reporting

The Company's main business is to provide finance for energy value chain through investment and lending into such projects. All other activities revolve around the main business. The Company does not have any geographic segments. As such, there are no separate reportable segments as per IND AS 108 on "Segment Reporting".

40 Related party disclosures under Ind AS 24

Related party disclosures

Name of related parties and their relationship:

Name of related party	Nature of Relationship
PTC India Limited	Holding company
PTC Energy Limited	Fellow subsidiary company
R.S. India Wind Energy Private Limited	Associate company
Varam Bio Energy Private Limited	Associate company
PTC Foundation	Trust to Holding company

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Key management personnel:

Shri Deepak Amitabh	Chairman and Non Executive Director
Dr. Pawan Singh	Managing Director and CEO
Shri Naveen Kumar	Whole Time Director
Mrs. Pravin Tripathi	Independent Director
Dr. Rajib K. Mishra	Nominee Director Director (ceased w.e.f 02nd June, 2020)
Shri Kamlesh S. Vikamsey	Independent Director
Shri Santosh B. Nayar	Independent Director
Dr. Nagesh Singh	Independent Director (ceased w.e.f. 02nd July, 2020)
Shri Rakesh Kacker	Nominee Director
Shri Thomas Mathew T.	Independent Director
Sh. Ajit Kumar	Nominee Director (appointed w.e.f 6th July, 2020)
Sh. Rajiv Malhotra	Nominee Director (appointed w.e.f 6th July, 2020)
Mr. Sanjay Rustagi	Chief Financial Officer
Mr. Vishal Goyal	Company Secretary

Transactions with the key management personnel during the year:

Particulars	**Nature of transaction**	**Year ended March 31, 2021**	Year ended March 31, 2020
Dr. Pawan Singh	**Remuneration**		
	Short-term benefits	113.08	99.51
	Post-employment benefits	3.01	5.78
	Other long-term benefits	-	3.88
		116.09	**109.17**
Shri Naveen Kumar	**Remuneration**		
	Short-term benefits	90.17	83.03
	Post-employment benefits	1.28	1.47
	Other long-term benefits	2.17	2.31
		93.62	**86.81**
Dr. Ashok Haldia	**Remuneration**		
	Post-employment benefits	-	9.21
	Other long-term benefits	-	-
	Other long-term benefits	-	0.84
		-	**10.05**
Non-Executive Independent Director*	**Sitting fees**	67.20	80.40
	Reimbursement of expenses	-	0.96
		67.20	**81.36**

* Includes ₹ 22.00 lakhs (previous year ₹ 20.00 lakhs) which has been paid to the holding company as sitting fees of the directors

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Transactions with the related parties

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
With Holding company		
Expenses reimbursed	20.35	29.77
Expenses paid	-	4.73
Director sitting fees	22.00	20.00
Dividend paid	1,878.53	3,339.60
With fellow subsidiary company		
Interest income	1,579.34	1,104.04
Fee based income	-	60.93
Expenses paid	-	2.94
Expenses reimbursed	-	15.29
With Trust to Holding company		
Amount paid for CSR spend	220.99	620.43

Loans to fellow subsidiary company

PTC Energy Limited

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
Beginning of the year	13,122.62	6,145.66
Loan Disbursed	2,500.00	7,500.00
Loan repayments received	(3,405.43)	(523.04)
Interest charged	1,579.34	1,104.04
Interest received	(1,171.60)	(1,104.04)
End of the year	**12,624.93**	**13,122.62**

Name of related party	**Nature**	**As at March 31, 2021**	As at March 31, 2020
PTC Energy Limited	Payables	-	13.67
PTC Energy Limited	Receivables- loan given	12,624.93	13,122.62

41 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Non-current assets		
Property, Plant and Equipment - Building	6.85	7.20
Loans	996,107.43	1,036,857.27
Trade receivables	376.86	396.70

Refer Note 6, 7 and 12

42. Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

42.1 Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios

- to ensure the ability to continue as a going concern

- to provide an adequate return to shareholders

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares, or sell assets to reduce debt. The Company has a target gearing ratio of 3.00 to 4.50 determined as a proportion of net debt to total equity.

42.2 Regulatory capital

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The BoDs regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR). Further, the Company also ensures compliance of guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital Adequacy Ratio (CAR) and other key financial parameters of the Company are as under:

Capital Adequacy ratio - Tier I	23.70%
Capital Adequacy ratio - Tier II	0.40%
	24.10%

43. Categories of financial instruments

43.1 The Carrying value of financial assets and liabilities are as follows :-

As at March 31, 2021

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	13,086.34	2,562.85	21,680.82	37,330.01
Loans	-	-	996,110.63	996,110.63
Derivative assets	789.25	338.40	-	1,127.65
Trade Receivables	-	-	376.86	376.86
Cash and cash equivalents	-	-	48,940.12	48,940.12
Bank balances other than above	-	-	36,519.90	36,519.90
Other financial assets	-	-	62.49	62.49
Total financial assets	**13,875.59**	**2,901.25**	**1,103,690.82**	**1,120,467.66**
Debt Securities	-	-	63,608.80	63,608.80
Borrowings (Other than debt securities)	-	-	853,810.92	853,810.92
Derivative liabilities	-	-	-	-
Trade payables	-	-	505.96	505.96
Other financial liabilities	-	-	22,614.95	22,614.95
Total financial liabilities	**-**	**-**	**940,540.63**	**940,540.63**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

As at March 31, 2020

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	15,170.21	-	20,397.36	35,567.57
Loans	-	-	1,036,860.12	1,036,860.12
Derivative assets	1,378.83	782.94	-	2,161.77
Trade Receivables	-	-	396.70	396.70
Cash and cash equivalents	-	-	22,318.00	22,318.00
Bank balances other than above	-	-	20,964.80	20,964.80
Other financial assets	-	-	104.99	104.99
Total financial assets	**16,549.04**	**782.94**	**1,101,041.97**	**1,118,373.95**
Debt Securities	-	-	41,298.10	41,298.10
Borrowings (Other than debt securities)	-	-	886,193.76	886,193.76
Derivative liabilities	-	-	-	-
Trade payables	-	-	665.07	665.07
Other financial liabilities	-	-	23,751.21	23,751.21
Total financial liabilities	**-**	**-**	**951,908.14**	**951,908.14**

44. Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at March 31, 2021:

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets carried at FVOCI	2,562.85	-	-	2,562.85
Investments	-	-	13,086.34	13,086.34
Derivative instruments (net)	-	1,127.65	-	1,127.65

As at March 31, 2020

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets carried at FVOCI	-	-	-	-
Investments	-	-	15,170.21	15,170.21
Derivative instruments (net)	-	2,161.77	-	2,161.77

(All amounts in Lakhs of ₹ unless otherwise stated)

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2021 and March 31, 2020 :

Particulars	Investments	Unlisted equity securities*	Total
As at March 31, 2019	**9,586.99**	-	**9,586.99**
Acquisitions	7,990.00	-	7,990.00
Gains/(losses) recognized in profit or loss	(472.82)	-	(472.82)
Gains/(losses) recognized in other comprehensive income	-	-	-
Disposal/acquisition	(1,933.96)	-	(1,933.96)
As at March 31, 2020	**15,170.21**	-	**15,170.21**
Acquisitions	-	-	-
Gains/(losses) recognized in profit or loss	237.27	-	237.27
Gains/(losses) recognized in other comprehensive income	-	-	
Disposal/acquisition	(2,321.14)	-	(2,321.14)
As at March 31, 2021	**13,086.34**	-	**13,086.34**

There are no financial liabilities measured at fair value on recurring basis. There were no transfers between the 3 levels in the reporting periods.

* Net of provision.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the standalone financial statements approximate their fair values.

	As at March 31, 2021		As at March 31, 2020	
Particulars	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Financial Liabilities				
Commercial paper	29,474.58	29,474.58	-	-
Infrastructure Bonds	10,919.55	10,919.55	13,637.35	13,637.35
Debentures	23,214.67	23,512.33	27,660.75	28,126.48

	Fair value hierarchy As at March 31, 2021			
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Liabilities at amortised cost				
Commercial paper	-	-	29,474.58	29,474.58
Infrastructure Bonds	-	-	10,919.55	10,919.55
Debentures	-	-	23,512.33	23,512.33

	Fair value hierarchy As at March 31, 2020			
Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Infrastructure Bonds	-	-	13,637.35	13,637.35
Debentures	-	-	28,126.48	28,126.48

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:-

(All amounts in Lakhs of ₹ unless otherwise stated)

-Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments, as described below:

a) Security receipts are valued with reference to sale price observable in the market on the basis of external rating provided by credit rating agencies.

b) The Company's foreign currency and interest rate derivative contracts are not traded in active markets. Fair valuation of such instruments are provided by the dealer who are recognised banks and use widely acceptable techniques. The effects of non-observable inputs are not significant for foreign currency forward contracts.

The Company performs valuations in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

-Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

-Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

45 Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit risk	Loan receivables, Cash and bank balances, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Derivative contracts/hedging
Market risk - interest rate	Non-current borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security price	Investments in equity securities	Sensitivity analysis	Portfolio diversification, exposure limits

The Board has the overall responsibility of risk management which take care of managing overall risk in the organization. In accordance with the RBI guidelines to enable NBFCs to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, including Asset Liability Management.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Credit risk arises from loans financing, cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Loans	996,110.63	1,036,860.12
Investments in Debentures	21,680.82	20,397.36
Trade receivables	376.86	396.70
Cash and cash equivalents	48,940.12	22,318.00
Other bank balances	36,519.90	20,964.80
Other financials asset	62.49	104.99

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

a) **Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system and external ratings.

From credit risk perspective, the Company's lending portfolio can be segregated into following broad categories:

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Trade receivables, Cash and cash equivalents, other bank balances, loans, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2021	As at March 31, 2020
Low credit risk		
Trade receivables	414.23	396.70
Cash and cash equivalents	48,940.12	22,318.00
Bank balances other than above	36,519.90	20,964.80
Loans	832,989.91	884,873.76
Investment in Debentures	21,824.01	20,514.91
Other financial assets	62.49	104.99
Moderate credit risk		
Loans	91,349.19	104,553.33
High credit risk		
Loans	134,638.02	95,325.03
Investments in Debentures	428.58	428.58

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering collateral's from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

b) Credit risk exposure

b) ii) Expected credit loss for loans

A.1 Credit risk measurement

The Company measures credit risk of its exposure using:

(a) Internal Rating: Internal ratings are based on board approved policy that guides credit analysis to place borrowers in watch list based on specific risk factors such as project progress schedule, promoter's contribution, PPA status etc.

(b) External rating: PFS also captures external rating of their borrowers done by RBI approved rating agencies like ICRA, CARE, CRISIL and India rating etc.

These two together helps the Company in better monitoring of its borrowers. The staging criteria for ECL computation is also driven by these two criteria. Staging of an account gets impacted by taking into consideration both internal rating and external rating.

A.2 Expected credit loss measurement

A.2.1 Significant increase in credit risk and credit impaired financial assets

The Company considers a financial instrument to have experienced a significant increase based on the staging criteria, which is aligned with ECL policy of the Company.

As per ECL policy, stage 2 contains all loan assets that are not defaulted as at reporting date, but have experienced a significant increase in credit risk since initial recognition (i.e. two notch downgrade in internal/ external risk rating or loan account with overdue of more than 30 days) or classified as high risk as per internal risk assessment.

A.2.2 Definition of default

The Company defines a financial instrument as in default, any borrower whose contractual payments are due for more than 90 days is termed as default, which is in line with RBI guidelines.

A.2.3 Explanation of inputs, assumptions and estimation techniques

Probability of default (PD) computation model

Probability of Default is the likelihood that the borrower will not be able to meets its obligations as and when it falls due.

Transition Matrix Approach was used for estimation of PD. ICRA's one-year transition matrix was used as the base probability of default matrix.

Stage 1: 12-month PDs were taken directly from one-year transition matrix and so, Point in Time (PIT) conversion was not done, as it is already giving PIT PDs.

Stage 2: PD for second year onwards was estimated using Matrix Multiplication Approach.

Stage 3: As the accounts classified into stage 3 are non-performing assets so probability of default was assumed to be 100%.

Loss given default (LGD) computation model

Loss Given Default is the percentage of total exposure which the borrower would not be able to recover in case of default.

Workout LGD approach has been used for LGD estimation.

LGD= (Economic loss + Cost of Recovery)/EAD

As at March 31, 2021, the Company has classified its few loans (financial assets) under stage III criteria, as enumerated in Ind AS 109, and the projects/ assets, underlying such loans, are either pending for resolution under Insolvency and Bankruptcy Code (IBC) or under litigation. For measuring expected credit loss allowance (ECL) for loans wherein underlying projects/ assets have been under IBC proceedings, wherever available, the fair value attributable to the secured portion of such loans has been measured based on external evidence i.e. valuation of such projects/ assets as shared by the Resolution Professional (RP), appointed by NCLT under resolution proceedings, with the consortium of creditors, including the Company. The actual outcome in these cases is dependent upon the final settlement by the RP in accordance with IBC framework. For other loans under stage III, the fair value attributable to the secured portion of such loans has been measured based on other evidences, including one time settlement offer from the customer, valuation exercise done either by the consortium of lenders or by the Company, settlement proposals under discussions between the borrowers and the consortium of lenders/ Company.

For loans under stage I and stage II, the management has determined the value of secured portion, on the basis of best information available with the Company, including value of assets/ projects in the available balance sheets of the borrowers, technical and cost certificates provided by the experts and valuation exercise performed by external professionals either appointed by the Company or consortium of lenders, including the Company.

The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects/ assets of borrowers under IBC. Refer Note 53.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Basis of calculating loss rates

First step involved in ECL computation is staging of the assets into three categories. Staging of the financial assets depend on the deterioration of the credit quality of the assets over its lifetime. Performing assets fall under Stage I, Underperforming assets fall under Stage II and Impaired assets(non-performing) fall under Stage III.

The following points were considered for stage wise classification of credit exposures:

1. Stage III exposures were exposures where actual default events have occurred i.e. all credit exposures classified as Doubtful or Sub-Standard, or where significant deterioration in credit quality was envisaged.
2. Stage II exposure were exposures which were not considered impaired asset but were classified as 'Stressed Accounts' or were flagged as High-Risk Category.
3. All other accounts not meeting the first two criteria were classified as Stage 1 accounts.

Quantitative and qualitative factors considered along with quantification w.r.t loss rates

Impact of specific risk factors was taken into account while staging of accounts and computation of PD. External credit rating was also used for staging criteria. The industry of the borrower was also considered for classification of the borrower. If a borrower belonged to an industry under stress, then the borrower was classified as stage 2 or 3 account.

For computation of loss given default, haircuts on collateral, based on subjective parameters were used.

- Sector/Sub-sector
- Source of Power Generation
- PPA Status
- COD Status

A.2.4 Forward looking information incorporated in ECL models

The PDs were derived using the Relationship of historic default rates of the portfolio and respective macroeconomic variable (GDP growth rate). Worst, Base, Mild and Best scenarios were created for all the macroeconomic variable and default rates were estimated for all the four scenarios. The scenarios were arrived at by creating bins based on mean, minimum, maximum and standard deviation of the macro variable for the observed range of data. The differential default rates between the Base scenario and the Best, Worst and Mild scenarios were created/built to compute the shock factors.

These shock factors were then added to the base PD term structure, which was arrived using the Matrix multiplication technique, thereby creating four different PD term structures for the four Scenarios. These shocked PDs were used to compute lifetime ECL for stage 1 and stage 2 accounts.

A.3 Credit risk exposure and impairment loss allowance

Particulars	As at March 31, 2021		As at March 31, 2020	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage III)	134,638.02	57,310.15	95,325.03	40,822.57
Loan assets having significant increase in credit risk (Stage II)	91,349.19	2,316.60	104,553.33	2,378.90
Other loan assets (Stage I)*	832,989.91	3,239.74	884,873.76	4,690.53
Total	**1,058,977.12**	**62,866.49**	**1,084,752.12**	**47,892.00**

*Includes loans amounting to ₹ 38.42 lakhs (Previous year ₹ 34.48 lakhs) given to employees.

A.3.1 Collateral and other credit enhancements

Loans are secured by :

i. Hypothecation of assets and/or

ii. Mortgage of property and /or

iii. Trust and retention account and /or

iv. Bank guarantee, Company guarantee or personal guarantee and / or

v. Assignment of receivables or rights and / or

vi. Pledge of shares and / or

vii. Undertaking to create a security

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

A.4 Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL.

- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period.

- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models.

- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

	Stage 1	Stage 2	Stage 3	
Loss allowance	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at April 1, 2019	**4,755.07**	**1,793.27**	**66,475.76**	**73,024.10**
Transfer to 12 months ECL	-	-	-	-
Transfer to life time ECL not credit impaired	(1,189.78)	1,189.78	-	-
Transfer to Lifetime ECL credit impaired	-	(7,631.54)	7,631.54	-
Net remeasurement of loss allowance	1,125.24	7,027.39	10,657.19	18,809.82
Write offs	-	-	(43,941.92)	(43,941.92)
Balance as at March 31, 2020	**4,690.53**	**2,378.90**	**40,822.57**	**47,892.00**
Loans and advances to customers at amortised Cost				
Balance as at April 1, 2020	**4,690.53**	**2,378.90**	**40,822.57**	**47,892.00**
Transfer to 12 months ECL	0.60	(0.60)	-	-
Transfer to life time ECL not credit impaired	(394.51)	394.51	-	-
Transfer to Lifetime ECL credit impaired	-	(5,449.56)	5,449.56	-
Net remeasurement of loss allowance	(1,056.88)	4,993.35	19,184.75	23,121.22
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**

The following table further explains changes in the gross carrying amount of the Loan portfolio to help explain their significance to the changes in the loss allowance for the same portfolio as discussed above:

	Stage 1	Stage 2	Stage 3	
Gross Exposure	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2019	1,134,951.69	67,694.74	134,782.98	1,337,429.41
Transfer to/from 12 months ECL	-	-	-	-
Transfer to/from life time ECL not credit impaired	(55,832.85)	55,832.85	-	-
Transfer to/from Lifetime ECL credit impaired	-	(34,125.14)	34,125.14	-
New Financial assets originated or purchased	222,086.71	16,957.30	-	239,044.01
Financial Assets that have been derecognised	(416,366.27)	(1,806.42)	(29,641.17)	(447,813.86)
Write offs	-	-	(43,941.92)	(43,941.92)
Balance as at March 31, 2020	**884,839.28**	**104,553.33**	**95,325.03**	**1,084,717.64**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Gross Exposure	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2020	**884,839.28**	**104,553.33**	**95,325.03**	**1,084,717.64**
Transfer to/from 12 months ECL	1,926.09	(1,926.09)	-	-
Transfer to/from life time ECL not credit impaired	(31,900.55)	31,900.55	-	-
Transfer to/from Lifetime ECL credit impaired	-	(51,122.18)	51,122.18	-
New Financial assets originated or purchased	152,248.21	10,266.92	-	162,515.13
Financial Assets that have been derecognised	(174,161.54)	(2,323.34)	(3,662.46)	(180,147.34)
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**832,951.49**	**91,349.19**	**134,638.02**	**1,058,938.70**

A.5 Concentration of credit risk

The Company monitors concentration of credit risk by type of industry in which the borrower operates, further bifurcated into type of borrower, whether state or private.

Industry	As at March 31, 2021	As at March 31, 2020
Gross carrying amount of loans		
Concentration by industry		
Thermal	120,654.28	123,919.93
Renewable energy	455,472.51	554,786.68
Hydro	16,459.75	20,777.04
Distribution	169,121.46	159,554.62
Others*	297,269.12	225,713.85
	1,058,977.12	**1,084,752.12**

*Includes loans amounting to ₹ 38.42 lakhs (March 31, 2020 ₹34.38) given to employees.

A.6 Write off policy

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to other income on statement of profit and loss.

ii) Expected credit losses for financial assets other than loans and derivative financial instruments

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2021	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	48,940.12	0%	-	48,940.12
Other bank balance	36,519.90	0%	-	36,519.90
Investments	21,824.01	1%	143.19	21,680.82
Trade receivables	414.23	9%	37.37	376.86
Other financial assets	62.49	0%	-	62.49

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

As at March 31, 2020	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	22,318.00	0%	-	22,318.00
Other bank balance	20,964.80	0%	-	20,964.80
Investments	20,514.91	1%	117.55	20,397.36
Trade receivables	396.70	0%	-	396.70
Other financial assets	104.99	0%	-	104.99

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows(including interest income and interest expense). The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The tables below analyse the financial assets and liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Maturities of financial assets

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	376.86	-	-	-	376.86
Cash and Cash Equivalents	19,358.73	-	-	-	19,358.73
Fixed Deposit with banks (other than above)	66,101.29	-	-	-	66,101.29
Derivative assets	-	1,127.67	-		1,127.67
Loans	316,985.46	333,194.89	184,173.89	551,283.40	1,385,637.64
Other financial assets	-	-	62.49	-	62.49
Total	**402,822.34**	**334,322.56**	**184,236.38**	**551,283.40**	**1,472,664.68**

March 31, 2020	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	396.70	-	-	-	396.70
Cash and Cash Equivalents	16,031.56				16,031.56
Fixed Deposit with banks (other than above)	15,592.25	11,658.99	-	-	27,251.24
Derivative assets	-	474.14	904.68	782.95	2,161.77
Loans	163,564.87	357,574.50	266,659.40	931,842.41	1,719,641.18
Other financial assets	-	47.50	57.49	-	104.99
Total	**195,585.38**	**369,755.13**	**267,621.57**	**932,625.36**	**1,765,587.44**

Maturities of financial liabilities

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	332,600.70	360,791.23	255,948.63	179,188.97	1,128,529.53
Lease liability	454.24	387.54	-	-	841.78
Derivative liabilities	-	0.02		-	0.02
Trade payables	505.96	-	-	-	505.96
Other financial liabilities	19,895.90	1,249.05	1,470.00	-	22,614.95
Total	**353,456.80**	**362,427.84**	**257,418.63**	**179,188.97**	**1,152,492.24**

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

March 31, 2020	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	285,340.20	381,581.62	299,531.34	278,597.72	1,245,050.88
Lease liability	492.25	918.86	-	-	1,411.11
Derivative liabilities	-	-	-	-	-
Trade payables	665.07	-	-	-	665.07
Other financial liabilities	14,173.54	4,888.67	-	4,689.00	23,751.21
Total	**300,671.06**	**387,389.15**	**299,531.34**	**283,286.72**	**1,270,878.27**

Note: To address the risk of mismatch between pay-out of liabilities and realisation of assets in next one year, the Company has adequate unused limits, including short term working capital limits, duly sanctioned by the banks.

C) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. The policy on foreign exchange risk management covers the management of foreign exchange risk related to existing and future foreign currency loans or any other foreign exchange risks derived from borrowing and lending. The objective of the policy is to serve as a guideline for transactions to be undertaken for hedging of foreign exchange related risks. It also provides guiding parameters within which the Asset Liability Management Committee can take decisions for managing the above mentioned risks. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company as per its overall strategy uses derivative contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings. The Company does not use derivative contracts for speculative purposes.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to INR at closing rate, is as follows

Particulars	As at March 31, 2021	As at March 31, 2020
Financial liabilities (USD)		
Foreign currency loan (INR)	22,342.90	31,700.51
Net exposure to foreign currency risk (liabilities)	**22,342.90**	**31,700.51**

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at March 31, 2021	As at March 31, 2020
USD sensitivity*		
INR/USD- increase by 459 bp (March 31, 2020: 531 bp)	1,025.54	1,683.30
INR/USD- decrease by 459 bp (March 31, 2020: 531 bp)	**(1,025.54)**	**(1,683.30)**

* Holding all other variables constant

b) Interest rate risk

i) Liabilities

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at March 31, 2021, the Company is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowing	823,810.92	875,778.43
Fixed rate borrowing	93,608.80	51,713.43
Total borrowings	**917,419.72**	**927,491.86**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2021	As at March 31, 2020
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2020:100 bps)	(8,238.11)	(8,757.78)
Interest rates – decrease by 100 basis points (March 31, 2020:100 bps)	8,238.11	8,757.78

* Holding all other variables constant

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the loans:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate loans	899,616.60	964,253.55
Fixed rate loans*	159,360.52	120,498.57
Total loans	**1,058,977.12**	**1,084,752.12**

*Includes loans amounting to ₹ 38.42 lakhs (March 31, 2020 ₹34.38) given to employees.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2021	As at March 31, 2020
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2020:100 bps)	8,996.17	9,642.54
Interest rates – decrease by 100 basis points (March 31, 2020:100 bps)	(8,996.17)	(9,642.54)

* Holding all other variables constant

c) Price risk

Exposure

The Company's exposure to price risk arises from investments held and classified in the balance sheet at fair value through other comprehensive income. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the end of the reporting period.

If equity price have been 10% higher/ lower:

- Other comprehensive income for the year ended March 31, 2021 would increase / decrease by ₹256.29 (for the year ended March 31, 2020: ₹ Nil) as a result of the changes in fair value of equity investments measured at FVTOCI.

46 Ind AS 116 Leases

This note explains the impact of the adoption of Ind AS 116 Leases on company's financial statements and discloses the new accounting policies that have been applied from 1 April 2019.

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases, using the "Modified Retrospective Approach" for transition. Based on the same and as permitted under the specific transitional provisions in the standard the company has not restated the comparative figures. On transition, the adoption of new standard has resulted in the recognition of right-of-use asset, classified in a consistent manner to its property, plant and equipment and a corresponding lease liability being measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

(a) On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.24%.

(b) The following are amounts recognised in profit or loss:

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
Depreciation expense of right-of-use assets	419.25	420.42
Interest expense on lease liabilities	105.46	142.14
Expenses relating to short-term leases (included in cost of sales)	-	-
	524.71	**562.56**

(c) The following are amounts recognised in statement of cash flows:

Total cash outflow for leases	386.78	468.81

Please refer note 45(B) for maturity analysis of lease liability and maturity analysis of contractual undiscounted cash flows

47 **Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2021**

Asset classification as per RBI norms	**Asset classification as per Ind AS 109**	**Gross carrying amount as per Ind AS**	**Loss allowance (provisions) as required under Ind AS 109**	**Net carrying amount**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
Performing Assets						
Standard	Stage 1	832,951.49	3,239.73	829,711.76	3,331.80	(92.07)
	Stage 2	91,349.19	2,316.60	89,032.59	1,106.32	1,210.28
Subtotal		**924,300.68**	**5,556.33**	**918,744.35**	**4,438.12**	**1,118.21**
Non-Performing Assets (NPA)						
Substandard	Stage 3	51,122.18	5,449.56	45,672.62	10,147.22	(4,697.66)
Doubtful - upto 1 year	Stage 3	14,960.43	6,869.24	8,091.19	8,375.39	(1,506.15)
1 to 3 years	Stage 3	45,790.87	24,815.22	20,975.65	28,721.74	(3,906.52)
More than 3 years	Stage 3	22,764.54	20,176.14	2,588.40	22,670.72	(2,494.58)
Subtotal for doubtful (Refer Note)		83,515.84	51,860.60	31,655.24	59,767.85	(7,907.25)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-			
Subtotal	-	-	-	-	-	
Total	**Stage 1**	**832,951.49**	**3,239.73**	**829,711.76**	**3,331.80**	**(92.07)**
	Stage 2	**91,349.19**	**2,316.60**	**89,032.59**	**1,106.32**	**1,210.28**
	Stage 3	**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**

Note: ₹ 12,696.98 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as “Impairment Reserve” in the Balance Sheet. Refer Note 21.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2020

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	884,839.28	4,690.53	880,148.75	3,539.36	1,151.17
	Stage 2	104,553.33	2,378.90	102,174.43	1,009.40	1,369.50
Subtotal		**989,392.61**	**7,069.43**	**982,323.18**	**4,548.76**	**2,520.67**
Non-Performing Assets (NPA)						
Substandard	Stage 3	14,952.72	2,393.22	12,559.50	1,500.00	893.22
Doubtful - upto 1 year	Stage 3	21,292.12	5,238.32	16,053.80	6,845.97	(1,607.65)
1 to 3 years	Stage 3	49,080.19	25,673.42	23,406.77	27,352.42	(1,679.00)
More than 3 years	Stage 3	10,000.00	7,517.61	2,482.39	9,999.61	(2,482.00)
Subtotal for doubtful (Refer Note)		**80,372.31**	**38,429.35**	**41,942.96**	**44,198.00**	**(5,768.65)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**95,325.03**	**40,822.57**	**54,502.46**	**45,698.00**	**(4,875.43)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-			
Subtotal	-	-	-	-	-	
Total	**Stage 1**	**884,839.28**	**4,690.53**	**880,148.75**	**3,539.36**	**1,151.17**
	Stage 2	**104,553.33**	**2,378.90**	**102,174.43**	**1,009.40**	**1,369.50**
	Stage 3	**95,325.03**	**40,822.57**	**54,502.46**	**45,698.00**	**(4,875.43)**

Note: ₹ 5,768.65 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as "Impairment Reserve" in the Balance Sheet. Refer Note 21

48 **Earnings per share**

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
a) Basic earnings per share	0.40	1.71
b) Diluted earnings per share	0.40	1.71

c) Reconciliations of earnings used in calculating earnings per share

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
Earnings per share		
Profits attributable to the equity holders of the company used in calculating basic and diluted earnings per share	2,560.31	10,999.89

d) Weighted average number of shares used as the denominator

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
	Number of shares	**Number of shares**
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	642,283,335	642,283,335

Note: There are no potential equity shares in the Company.

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

49 **Expenditure on Corporate Social Responsibility**

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Gross amount required to be spent	232.62	642.03
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	252.30	641.27

50 The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

51 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.

52 There were no disputed dues in respect of Excise Duty, Sales Tax, Service Tax, Customs Duty, Goods & Services Tax and Value Added Tax which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved*	Amount unpaid
Income-tax Act 1961	Income Tax	Income Tax Appellate Authority	2012-2017	2,921.78	1,012.91
		Upto Commissioner (Appeals)	2010-11, 2012-13, 2014-15, 2017-18	750.00	117.90

53 **Impact of Covid-19**

COVID-19, a global pandemic has affected the world economy including India leading to significant decline in economic activity and volatility in the financial markets. Government announced various relief packages to support all segment. In line with RBI circulars, company provided the support to borrowers during the year in form of moratorium. Company do not foresee any significant concern in case of borrowers where projects have been commissioned/ completed and have must run status. However, it would be difficult to assess the impact on borrower's ability to service the debt where projects are under construction considering construction activities halted due to lockdown restriction. However respective Govt. Authorities have issued the circulars for allowing extension in SCOD. The overall growth of PFS business during the financial year has been impacted due to various factors including lockdown situation in country as activities related to clearances, land acquisition for new/under construction projects specifically in renewable and road sectors.

The Company has maintained sufficient liquidity in form of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligation in near future (Refer Note 45 B).

As also mentioned in Note 45 A.2.3, in assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report, one time settlement (OTS) proposal, asset value as per latest available financials with appropriate haircut as per ECL policy). Further, management overlay, wherever appropriate and approved by the Audit Committee, has been applied to reflect the current estimate of future recoverable values. The Company expects to recover the net carrying value of these assets, basis assessment of facts and ECL methodology which factors in future economic conditions as well. However, the eventual outcome of impact of COVID -19 may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any material changes to the future economic conditions.

54 In accordance with the instructions in the RBI circular 'RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22' dated April 07, 2021, the Company shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest' would be finalised by the Indian Banks Association (IBA) in consultation with other industry participants / bodies and is awaited as on the date of approval of these results. The Company has however estimated the said amount and recognised a charge in its Profit and Loss Account for the year ended March 31, 2021.

55 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure

56 **Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company**

(as required in terms of paragraph 18 of Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

	Particulars			
	Liabilities side:			
(1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**		**Amount out-standing ***	**Amount overdue**
	(a)	Debentures : Secured (Including infrabond)	63,608.80	-
		: Unsecured	-	-
		(other than falling within the meaning of public deposits)		

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars			
	Liabilities side:			
	(b)	Deferred Credits	-	-
	(c)	Term Loans	822,969.14	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	29,474.58	-
	(f)	Public Deposits	-	-
	(g)	Other Loans		
		(i) financial institutions	30,000.00	-
		(ii) Lease liability	841.78	-
(2)	**Breakup of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid:**			
	(a)	In the form of unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other Public Deposits	-	-

* The amount does not include interest accrued but not due

	Assets side:		**Amount outstanding**
(3)	**Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:**		
	(a)	Secured (net of provision of ₹ 62,866.49 lakhs)	996,107.43
	(b)	Unsecured*(net of provision of ₹37.37 lakhs)	1,026.89
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**		
	(i)	Lease assets including lease rentals under sundry debtors:	
		(a) Financial lease	-
		(b) Operating lease	-
	(ii)	Stock on hire including hire charges under sundry debtors:	
		(a) Assets on hire	-
		(b) Repossessed Assets	-
	(iii)	Other loans counting towards AFC activities	
		(a) Loans where assets have been repossessed	-
		(b) Loans other than (a) above	-
(5)	**Break-up of Investments:**		
	Current Investments:		
	1.	Quoted:	
		(i) Shares: (a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
	2.	Unquoted:	
		(i) Shares: (a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-

* Includes Trade Receivables ₹ 376.86 lakhs, Other financial assets ₹ 62.49 lakhs, Other Non-Financial assets ₹ 584.34 lakhs and loans to employees ₹ 3.20 lakhs.

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Assets side:			Amount out-standing
	Long Term investments:			
1.	Quoted:			
	(i)	Shares:	(a) Equity (net of provisions ₹ 674.67 lakhs)	2,562.85
			(b) Preference	-
	(ii)	Debentures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-
2.	Unquoted:			
	(i)	Shares:	(a) Equity (net of provisions ₹ 24,692.11 lakhs)	-
			(b) Preference	-
	(ii)	Debentures and Bonds (net of provisions ₹ 571.77 lakhs)		21,680.82
	(iii)	Units of mutual funds		
	(iv)	Government Securities		-
	(v)	Others (Security Receipts) (net of accumulated decrease in fair value ₹ 10.47 lakhs)*		13,086.34
		Total		**37,330.01**

*In accordance with the Company's accounting policy, the security receipts are recognised at FVTPL and ₹ 10.47 lakhs (March 31, 2020: 1,062.34 lakhs) represents the accumulated decrease in fair value from inception till date. The Company has provided ₹ Nil (March 31, 2020: ₹ 472 lakhs) through the statement of profit and loss during the year.

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

	Category	Amount net of provisions		
		Secured	Unsecured	Total
1.	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group (Refer Note 40)	12,624.93	-	12,624.93
	(c) Other related parties	-	-	-
2.	Other than related parties	983,482.50	1,026.89	984,509.39
	Total	**996,107.43**	**1,026.89**	**997,134.32**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

	Category	Market Value / Break up or fair value or NAV	Book value (net of provisions)
1.	Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2.	Other than related parties (Refer Note 8)	37,330.01	37,330.01
	Total	**37,330.01**	**37,330.01**

(8) Other information

	Particulars	Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	428.58
	(b) Other than related parties	81,982.05
(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	31,305.84
(iii)	Assets acquired in satisfaction of debt	-

The Company has gross recoverable and net recoverable amounting to ₹ 52,655.94 lakhs and ₹ 46,022.00 respectively, as at March 31, 2021 which have been classified under stage III, in accordance with Ind AS 109 (Refer Note 45 A.4). While these balances have not been considered as NPA, in accordance with judgments issued by respective judicial authorities in this respect, the Company has accrued provision/ reserve for impairment in accordance with Ind AS 109 and RBI's prudential norms read with RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

56.1 Disclosure of restructured accounts

(as required in terms of norms of restructuring of advances by Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

S. No	Type of restructuring		Under CDR Mechanism					Others					Total				
	Assets classification / Details		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as at April 1, 2020	No. of borrowers (Nos)	-	-	2	-	2	1	-	2	-	3	1	-	4	-	5
		Amount outstanding	-	-	10,264.54	-	10,264.54	12,851.79	-	17,500.00	-	30,351.79	12,851.79	-	27,764.54	-	40,616.33
		Provision thereon	-	-	7,520.26	-	7,520.26	1,030.58	-	8,083.56	-	9,114.14	1,030.58	-	15,603.82	-	16,634.40
2	Fresh restructuring during the year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standards category during the financial year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the financial year	No. of borrowers (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the financial year	No. of borrowers (Nos)	-	-		-	-	-		1.00	-	1.00	-	-	1	-	1
		Amount outstanding	-	-		-	-	-		5,000.00	-	5,000.00	-	-	5,000.00	-	5,000.00
		Provision thereon	-	-	-	-	-	-	-	4,333.56	-	4,333.56	-	-	4,333.56	-	4,333.56
7	Restructured accounts as on March 31, 2021	No. of borrowers (Nos)	-	-	2*	-	2	1**	-	1***	-	2	1	-	3	-	4
		Amount outstanding	-	-	10,264.54	-	10,264.54	16,107.09	-	12,500.00	-	28,607.09	16,107.09	-	22,764.54	-	38,871.63
		Provision thereon	-	-	7,676.14	-	7,676.14	800.00	-	12,500.00	-	13,300.00	800.00	-	20,176.14	-	20,976.14

*Includes additional provision amounting to ₹ 155.88 lakhs during the year on doubtful loan assets.

**Includes fresh disbursement made and provision reversal during the year.

***Includes additional provision amounting to ₹ 8,750 lakhs during the year on doubtful loan assets.

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

56.2 Disclosures required pursuant to Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

I. Capital

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i) CRAR (%)	24.10%	23.61%
(ii) CRAR - Tier I Capital (%)	23.70%	23.03%
(iii) CRAR - Tier II Capital (%)	0.40%	0.58%
(iv) Amount of subordinated debt raised as Tier-II capital	-	-
(v) Amount raised by issue of Perpetual DebtInstruments	-	-

II. Investments

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1. Value of Investments		
(i) Gross Value of Investments		
(a) In India	63,279.03	61,867.82
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	25,949.02	26,300.25
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	37,330.01	35,567.57
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	26,300.25	25,709.88
(ii) Add : Provisions made during the year	700.31	590.37
(iii) Less : Write-off / write-back of excess provisions during the year	(1,051.54)	-
(iv) Closing balance	25,949.02	26,300.25

III. (a) Forward rate agreement /interest rate swap

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i) The notional principal of swap agreements	8,764.94	10,873.25
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	338.40	782.94

(b) Exchange traded interest rate(IR) derivatives

The Company has not undertaken any Exchange Traded Interest Rate (IR) Derivatives during the year ended March 31, 2021 as well as in the previous year ended March 31, 2020.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

IV. Disclosures on risk exposure in derivatives

(a) Quantitative disclosures

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)				
For hedging	13,577.96	13,577.96	20,827.26	20,827.26
(ii) Marked to Market Positions [1]				
Asset (+)	789.27	-	1,377.77	1.06
Liability (-)	-	-	-	-
(iii) Credit Exposure [2]	-	-	-	-
(iv) Unhedged Exposures	1,302.17	1,302.17	161.08	161.08

Refer Note 45 C for Qualitative disclosures

V. Disclosures relating to securitisation

The Company does not have any securitised assets as at March 31, 2021 as well as in the previous year ended March 31, 2020.

VI. Details of financial assets sold to securitisation /reconstruction company for asset reconstruction

The Company has sold the following financial assets to securitisation /reconstruction company for asset reconstruction during the year ended March 31, 2021.

S. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	No. of accounts	-	1.00
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	9,400.00
(iii)	Aggregate consideration	-	9,400.00
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

VII. Details of assignment transaction undertaken by applicable NBFCs

S. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	No. of accounts	1.00	4.00
(ii)	Aggregate value of accounts sold	7,500.00	55,000.00
(iii)	Aggregate consideration	7,500.00	55,000.00
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

VIII. Details of non-performing financial assets purchased /sold

The Company has not purchased/sold any non-performing financial assets from other NBFCs in the current year as well as in the previous year.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

IX. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31,2021

Particulars	Upto 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	43,321.75	-	30,980.77	60,806.43	66,858.77	264,411.70	201,994.37	163,153.08	831,526.87
Market Borrowings	-	7,045.50	32,475.08	-	12,419.55	4,500.00	7,168.67	-	63,608.80
ECB loans	1,571.22	-	533.07	2,104.29	4,208.58	10,176.05	3,690.84	-	22,284.05
Total	**44,892.97**	**7,045.50**	**63,988.92**	**62,910.72**	**83,486.90**	**279,087.75**	**212,853.88**	**163,153.08**	**917,419.72**
Assets									
Receivables under financing activity (net)	166,448.69	25,582.77	4,069.48	22,149.55	34,445.91	223,983.03	110,722.03	408,709.17	996,110.63
Investment (net)	-	-	-	-	-	21,680.82	-	15,649.19	37,330.01
Total	**166,448.69**	**25,582.77**	**4,069.48**	**22,149.55**	**34,445.91**	**245,663.85**	**110,722.03**	**424,358.36**	**1,033,440.64**

Maturity pattern of certain items of assets and liabilities as at March 31,2020

Particulars	Upto 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	2,376.58	6,688.80	24,527.41	38,088.81	99,372.97	230,910.11	218,314.37	234,313.26	854,592.31
Market Borrowings	-	-	3,000.00	-	15,137.25	16,045.50	-	7,115.35	41,298.10
ECB loans	1,599.81	-	546.29	2,146.10	4,292.20	16,076.23	4,525.38	2,415.44	31,601.45
Total	**3,976.39**	**6,688.80**	**28,073.70**	**40,234.91**	**118,802.42**	**263,031.84**	**222,839.75**	**243,844.05**	**927,491.86**
Assets									
Receivables under financing activity (net)	8,631.77	3.10	7,081.41	25,004.21	44,616.84	187,523.96	135,227.79	628,771.04	1,036,860.12
Investment (net)	-	-	-	-	-	20,397.36	-	15,170.21	35,567.57
Total	**8,631.77**	**3.10**	**7,081.41**	**25,004.21**	**44,616.84**	**207,921.32**	**135,227.79**	**643,941.25**	**1,072,427.69**

X. Exposure to real estate sector, both direct and indirect

The Company does not have any direct or indirect exposure to the real estate sector as at March 31,2021 as well as in the previous year ended March 31, 2020.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

XI. Exposure to Capital Market

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	12,411.97	14,361.79
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	**12,411.97**	**14,361.79**

XII. Miscellaneous

	No. Regulator	Particulars	Registration Details
(a)	Ministry of Corporate Affairs	Corporate Identification Number	L65999DL2006PLC153373
(b)	Reserve Bank of India - Registration Number :	Registration Number	N-14.03116
(c)	Legal Entity Identifier India Limited	LEI Number	335800JD6DLHKGQQ3Z14
(b)	Credit Rating		
	Non Convertible Debentures/Bonds	CRISIL A+ (Stable), ICRA A+ (Stable), CARE A+ (Stable)	
	Bank limits (rated on long term/short term scale)	CRISIL A+ (Stable), ICRA A+ (Stable), CARE A+ (Stable), CRISIL A1+, ICRA A1+, CARE A1+	
	Commercial Paper Programme	CRISIL A1+, ICRA A1+	
	Tier II Bonds	CRISIL A+ (Stable)	

(c) No penalties have been levied by any regulator during the year ended March 31, 2021 as well as in the previous year ended March 31, 2020.

XIII. Additional Disclosures

(a) **Provisions and Contingencies**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Provisions for depreciation on Investment	(211.63)	590.37
Provision towards NPA	15,091.53	(4,056.89)
Loss on loans & advances written off	8,146.73	44,112.28
Provision for Standard Assets	(79.66)	(21,075.22)

XIV. Concentration of Deposits, Advances, Exposures and NPAs

(a) **Concentration of Advances**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total Advances to twenty largest borrowers	537,071.08	521,743.93
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	50.72%	48.10%

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(b) **Concentration of Exposures**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total Exposure to twenty largest borrowers /customers	537,071.08	521,743.93
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	50.72%	48.10%

(c) **Concentration of NPAs**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total Exposure to top four NPA accounts	67,051.44	56,404.00

(d) **Sector-wise NPAs**

Percentage of NPAs to Total Advances in that sector

S. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Agriculture & allied activities	-	-
(ii)	MSME	-	-
(iii)	Corporate borrowers	7.64%	6.74%
(iv)	Services	-	-
(v)	Unsecured personal loans	-	-
(vi)	Auto loans	-	-
(vii)	Other personal loans	-	-

XV. Movement of NPAs

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Net NPAs to Net Advances (%)	3.08%	3.59%
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	74,461.91	80,468.00
(b)	Additions during the year	20,639.61	14,952.72
(c)	Reductions during the year	12,690.88	20,958.81
(d)	Closing balance	**82,410.63**	**74,461.91**
(iii)	Movement of Net NPAs		
(a)	Opening balance	38,448.66	40,321.65
(b)	Additions during the year	15,825.88	12,559.50
(c)	Reductions during the year	22,968.70	14,432.49
(d)	Closing balance	**31,305.84**	**38,448.66**
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	36,013.25	40,145.74
(b)	Provisions made during the year	24,985.11	10,723.76
(c)	Write-off / write-back of excess provisions	9,893.57	14,856.25
(d)	Closing balance	**51,104.79**	**36,013.25**

XVI. The Company does not have any joint ventures and subsidiaries abroad as at March 31,2021 as well as in the previous year ended March 31, 2020.

XVI. The Company does not have any SPVs sponsored as at March 31,2021 as well as in the previous year ended March 31, 2020.

XVII. The prudential exposure limit was exceeded for one borrower's group during the year. However, the Company had received prepayment from such group and thereby, the Company complies with the group exposure norms as at March 31, 2021 in accordance with RBI guidelines.

Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

XVIII. Disclosure of Complaints

(a) **Customer Complaints ***

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	712	792
(c)	No. of complaints redressed during the year	712	792
(d)	No. of complaints pending at the end of the year	Nil	Nil

*Representing complaints of infrastructure retail bondholders.

56.3 (as required in terms of RBI circular RBI/2016-17/122 DBR.No.BP.PC.34/21.04.132/2016-17 dated November 10, 2016)

1 **Disclosures on flexible structuring of existing loans**

Period	No. of borrowers taken up for flexibly structuring	Amount of loans taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
FY2018-19	-	-	-		
FY2019-20	-	-	-		

2 **Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under standstill period)**

No. of accounts where SDR has been invoked	Amount outstanding as on reporting date		Amount outstanding as on report date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on report date with respect to accounts where conversion of debt to equity has taken place	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY2018-19	-	-	-	-	-	-
FY2019-20	-	-	-	-	-	

3 **Disclosures on Change in ownership Outside Strategic Debt Restructuring Scheme (accounts which are currently under standstill period)**

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date		Amount outstanding as on reporting date with respect to the accounts where conversion of debt/ invocation of pledge of equity shares is pending		Amount outstanding as on reporting date with respect to the accounts where conversion of debt/ invocation of pledge of equity shares has taken place		Amount outstanding as on reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY2019-20	-	-	-	-	-	-	-	-
FY2019-20	-	-	-	-	-	-	-	-

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PTC INDIA FINANCIAL SERVICES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PTC India Financial Services Limited (hereinafter referred to as the "Company") and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2021, and 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company and its associates as at March 31, 2021, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

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 Company and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements . We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 52 to the accompanying consolidated financial statements which explains the uncertainties and the management's assessment of the impact, due to the lock-downs and other restrictions/ conditions related to Covid-19 pandemic situation, on Company's operations, financial performance and position as at and for the year ended March 31, 2021, including measurement of expected credit loss (ECL) allowance on loans (financial assets) and assessment of liquidity position based upon expected cash flows from/to borrowers/lenders, availability of high quality liquid assets and undrawn committed lines from banks/financial institutions to meet its financial obligations in future. The extent of COVID-19 impact will depend on future developments, which are uncertain at this stage.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Expected Credit Losses (ECL) model** As described in the notes to the consolidated financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included: • Determining the criteria for a significant increase in credit risk (`SICR') • Techniques used to determine the Probability of Default (TD') and Loss Given Default (`LGD') • Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows etc. Refer Notes 2 (g), 2 (q), 7 and 45A.2 to the consolidated financial statements.	<u>Principal Audit Procedures</u> We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards and prudential norms laid down by RBI. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the impairment reserve, internal credit quality assessments, external credit ratings and methodology followed for computation of ECL. • For Expected Credit Losses computed by the management, we performed the following procedures: (a) Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection; (b) Examined the key data inputs (valuation of collateral, the timing of cash flows and realisations) to the ECL model on a sample basis to assess their accuracy and completeness; (c) Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk. (d) Assessed the Company's methodology for ECL provisioning, Classification and Measurement with the assistance of our internal experts; (e) Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	**Impairment of loans to customers** Allowance for impairment losses on loans to customers involves significant judgement by management to determine the timing and amount of the asset to be impaired. Refer Notes 2 (g), 2 (q), 7, 45A.2 to the consolidated financial statements	<u>Principal Audit Procedures</u> We assessed the appropriateness of the Company's impairment review and provisioning policy by comparing with the RBI prudential norms and applicable accounting standards ; Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: • We evaluated and tested the design and operating effectiveness of the relevant controls over the impairment assessments and impairment allowance computations for loans and advances to customers. • We tested the management assumptions, estimates and judgements, which could give rise to material misstatement: a. The completeness and timing of recognition of loss events; b. The measurement of provisions for individual instances of loans which is dependent on the valuation of security provided and the collaterals against each loan, the timing of cash flows and realisations; c. We discussed with management and scrutinised the appropriateness of those key assumptions applied in management's impairment assessment, and compared them with available external evidence where necessary; d. The measurement of modelled provisions, which is dependent upon key assumptions relating to probability of default, loss given default and expected future recoveries; e. Performed procedures to obtain comfort on the accuracy of the impairment calculation process through recalculation of the provision charge based on inputs; f. Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.
3	**Evaluation of uncertain tax positions for Income taxes** The Company has material uncertain tax positions relating to matters under litigation for Income taxes. These matters involve significant management judgement to determine the possible outcome of disputes. Refer Note 2 (j), 2 (q) and 34 to the consolidated financial statements.	<u>Principal Audit Procedures</u> We obtained details of completed income tax assessments during the year ended March 31, 2021 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income taxes. Additionally, we considered the effect of new information in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.

Information Other than the Consolidated 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 Directors report, Report on Corporate Governance and Management discussion and analysis report of the Company, but does not include the consolidated financial statements and our auditor's report thereon. The Directors report, Report on Corporate Governance and Management discussion and analysis report of the Company 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 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 Directors report, Report on Corporate Governance and Management discussion and analysis report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The 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 and consolidated cash flows of the Company and its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and of its associates, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Company, as aforesaid.

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

The respective Board of Directors of the Company and its associates are responsible for overseeing the financial reporting process of the Company and of its associates respectively.

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 Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

Attention is invited to Note 54 of the consolidated financial statements, which sets out the position regarding two Associates of the Company for which neither audited nor management accounts for the financial year ended March 31, 2021 were available with the Company for the consolidtation purposes. However, since the Company had fully provided for diminution in investment held in these two associates in prior years and the Company does not have any further obligation over and above the cost of the investments, in view of the management there is no impact thereof on these consolidated financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit of the Company (in the absence of availability of audit reports of the two associates referred to in 'Other Matters' paragraph above) we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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 so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company, none of the directors of the Companies is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditors' reports of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Company's internal financial controls over financial reporting.

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company– Refer Note 34 to the consolidated financial statements.

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts– Refer Note 50 to the consolidated financial statements.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company– Refer Note 51 to the consolidated financial statements.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABG3816

Place: Gurugram
Date: June 9, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

Auditor's Responsibilities for the Audit of the 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 Act, we are also responsible for expressing our opinion on whether the Company has internal financial controls with reference to consolidated financial statements 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 ability of the Company and its associates 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 Company and its associates 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 Company and its associates 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 Company 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.

For the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABG3816

Place: Gurugram
Date: June 9, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of PTC India Financial Services Limited on the consolidated Financial Statements for the year ended March 31, 2021]

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

We have audited the internal financial controls over financial reporting of PTC INDIA FINANCIAL SERVICES LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the consolidated financial statements of the Company and its associates as of and for the year ended on that date. Since the auditors' reports of associates are not available, we are unable to comment on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting under section 143(3)(i) of the Act in respect of these associates.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial controls based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No.: 505676
UDIN: 21505676AAAABG3816

Place: Gurugram
Date: June 9, 2021

PTC India Financial Services Limited
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	As at March 31, 2021	As at March 31, 2020
A	**ASSETS**			
1	**Financial assets**			
	a. Cash and cash equivalents	3	48,940.12	22,318.00
	b. Bank balances other than (a) above	4	36,519.90	20,964.80
	c. Derivative financial instruments	5	1,127.65	2,161.77
	d. Trade receivables	6	376.86	396.70
	e. Loans	7	996,110.63	1,036,860.12
	f. Investments	8	37,330.01	35,567.57
	g. Other financial assets	9	62.49	104.99
			1,120,467.66	**1,118,373.95**
2	**Non-financial assets**			
	a. Current tax assets (Net)	10	22,815.17	29,366.70
	b. Deferred tax assets (Net)	11	7,712.35	12,564.37
	c. Property, Plant and Equipment	12	876.88	1,033.44
	d. Right of use-Buildings	12	735.09	1,154.34
	e. Intangible asset	13	16.07	2.09
	f. Other non-financial assets	14	584.34	1,688.88
			32,739.90	**45,809.82**
	TOTAL ASSETS		**1,153,207.56**	**1,164,183.77**
B	LIABILITIES AND EQUITY			
	LIABILITIES			
3	**Financial liabilities**			
	a. Derivative financial instruments	5	-	-
	b. Trade Payables			
	(i) total outstanding dues to micro and small enterprises	35	13.75	13.75
	(ii) total outstanding dues of creditors other than micro and small enterprises		492.21	651.32
	c. Debt securities	15	63,608.80	41,298.10
	d. Borrowings (Other than debt securities)	16	853,810.92	886,193.76
	e. Other financial liabilities	17	22,614.95	23,751.21
			940,540.63	**951,908.14**
4	**Non-financial liabilities**			
	a. Provisions	18	454.63	462.18
	b. Other non-financial liabilities	19	261.87	331.39
			716.50	**793.57**
5	EQUITY			
	a. Equity share capital	20	64,228.33	64,228.33
	b. Other equity	21	147,722.10	147,253.73
			211,950.43	**211,482.06**
	TOTAL LIABILITIES and EQUITY		**1,153,207.56**	**1,164,183.77**
	See accompanying notes forming part of the consolidated financial statements	1-56		

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Revenue**			
	a. Revenue from operations			
	(i) Interest income	22	110,524.54	132,425.69
	(ii) Fee and commission income	23	2,183.66	3,486.64
	(iii) Net gain on fair value changes	24	-	117.80
	(iv) Sale of power		348.98	394.88
	b. Other income	25	888.25	546.03
	Total revenue (a+b)		**113,945.43**	**136,971.04**
2	**Expenses**			
	a. Finance costs	26	75,150.23	94,844.64
	b. Fees and commission expense	27	148.02	190.75
	c. Net loss on fair value changes	28	595.82	-
	d. Impairment on financial instruments	29	22,946.97	19,570.55
	e. Employees benefit expenses	30	1,674.33	1,640.92
	f. Depreciation and amortisation expenses	31	595.43	634.16
	g. Other expenses	32	3,492.87	2,886.25
	Total expenses (a+b+c+d+e+f+g)		**104,603.67**	**119,767.27**
3	**Profit before tax, share of net profits of investments accounted for using equity method (1-2)**		9,341.76	17,203.77
4	**Share of net profit of associated accounted for using equity method**	56	-	-
5	**Profit before tax (3-4)**		**9,341.76**	**17,203.77**
6	**Tax expense**			
	a. Current tax	33	1,852.83	-
	b. Deferred tax charge/(benefits)	33	4,928.62	6,203.88
	Total tax expense		**6,781.45**	**6,203.88**
7	**Profit for the year (5+6)**		**2,560.31**	**10,999.89**
8	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement loss on defined benefit plans		15.82	(37.51)
	Income tax relating to remeasurement loss on defined benefit plans	11	(3.98)	13.11
	b. Equity instruments through other comprehensive income		(674.67)	-
	Income tax relating to FVTOCI to equity investments	11	117.88	-
			(544.95)	**(24.40)**
	Items that will be reclassified to profit or loss			
	a. Change in cash flow hedge reserve		(74.78)	(336.16)
	Income tax relating to cash flow hedge reserve	11	(37.30)	117.47
			(112.08)	**(218.69)**
	Other comprehensive income/(expense) for the year		**(657.03)**	**(243.09)**
9	**Total comprehensive profit for the year (7+8)**		**1,903.28**	**10,756.80**
	Earnings per equity share:			
	Basic and diluted	48	0.40	1.71
	See accompanying notes forming part of the consolidated financial statements	1-56		

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

For and on behalf of the Board of Directors

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : Gurugram
Date : June 09, 2021

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited
CONSOLIDATED STATEMENT OF CASH FLOW AS AT MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit after tax	2,560.31	10,999.89
	Adjustments for:		
	Depreciation,amortisation and Impairment	595.43	634.16
	Impairment on financial instruments	22,946.97	19,570.55
	Provision on capital advances	1,038.85	
	(Gain)/ Loss on sale of property, plant and equipment	0.61	0.82
	Finance costs	75,298.25	95,035.39
	Net (Gain)/ Loss on fair value changes	595.82	(117.80)
	Tax expense	6,781.45	6,203.88
	Operating profit before working capital changes	**109,817.69**	**132,326.89**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loan financing	17,632.21	199,448.04
	Other loans	(3.94)	5.44
	Other financial assets	42.50	(72.05)
	Other non- financial assets	65.69	(109.15)
	Trade receivables	(17.53)	542.12
	Adjustments for increase / (decrease) in operating liabilities:		
	Other financial liabilities	(911.08)	2,464.86
	Provisions	8.27	76.13
	Trade payables	(159.11)	342.53
	Other non- financial liabilities	(69.52)	144.98
	Cash flow from operating activities post working capital changes	**126,405.18**	**335,169.79**
	Income- tax paid	4,698.70	(12,338.05)
	Net cash flow from operating activities (A)	**131,103.88**	**322,831.74**
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Capital expenditure on property, plant and equipment, including capital advances	(18.47)	(19.44)
	Proceeds from sale of property, plant and equipment	1.02	0.61
	Purchase of intangible assets	(16.76)	-
	Investment in term desposit	(13,946.40)	(20,441.24)
	Purchase of investments	(4,546.62)	(20,514.91)
	Proceeds from sale/ redemption of investments	2,321.14	2,406.78
	Net cash used in investing activities (B)	**(16,206.09)**	**(38,568.20)**

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
C	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Proceeds from borrowings		161,869.72	92,614.71
	Repayment of borrowings		(192,280.37)	(246,016.61)
	Repayment of lease liability		(386.78)	-
	Proceeds from debt securities		29,474.58	10,000.00
	Repayment of debt securities		(7,217.82)	(21,995.89)
	Finance costs		(76,844.72)	(93,576.78)
	Dividend paid		(2,890.28)	(5,138.27)
	Tax on dividend		-	(1,056.19)
	Net cash flow from financing activities (C)		**(88,275.67)**	**(265,169.03)**
	Increase in cash and cash equivalents (A+B+C)		26,622.12	19,094.51
	Cash and cash equivalents at the beginning of the year		22,318.00	3,223.49
	Cash and cash equivalents at the end of the year		**48,940.12**	**22,318.00**
	See accompanying notes forming part of the consolidated financial statements	1-56		

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

A Equity Share Capital:

	No. of Shares	Amount
Equity Shares of ₹ 10 each, Issued, Subscribed and Fully Paid-up:		
As at April 1, 2019	642,283,335	64,228.33
Issued during the year	-	-
As at March 31, 2020	**642,283,335**	**64,228.33**
Issued during the year	-	-
As at March 31, 2021	**642,283,335**	**64,228.33**

B Other Equity:

	Reserves and Surplus								Total
	Securities Premium Reserve	Statutory Reserve	Special Reserve	Impairment Reserve	Equity instruments through other comprehensive income	Cash flow hedge reserve	Foreign currency monetary items translation difference account	Retained Earnings	
As at April 1, 2019	61,280.57	32,862.53	29,699.78	-	(18,140.97)	(154.77)	(2,533.57)	39,413.23	142,426.80
Add: Profit for the year	-	-	-	-	-	-	-	10,999.89	10,999.89
Add [Less]: Other comprehensive income	-	-	-	-	-	(218.69)	-	(24.40)	(243.09)
Total Comprehensive Income	-	-	-	-	-	**(218.69)**	-	**10,975.49**	**10,756.80**
Transfer from [to] Reserve	-	2,199.98	-	-	-	-	-	(2,199.98)	-
Transfer from reserve for equity instruments through other comprehensive income	-	-	-	5,768.65	-	-	-	(5,768.65)	-
Transactions with owners in their capacity as owners:									
Dividends	-	-	-	-	-	-	-	(5,138.27)	(5,138.27)
Corporate dividend tax on dividend	-	-	-	-	-	-	-	(1,056.19)	(1,056.19)
Effect of foreign exchange rate variations during the year	-	-	-	-	-	-	(1,653.41)	-	(1,653.41)
Amortisation for the year	-	-	-	-	-	-	1,918.00	-	1,918.00
As at March 31, 2020	**61,280.57**	**35,062.51**	**29,699.78**	**5,768.65**	**(18,140.97)**	**(373.46)**	**(2,268.98)**	**36,225.63**	**147,253.73**
As at April 1, 2020	**61,280.57**	**35,062.51**	**29,699.78**	**5,768.65**	**(18,140.97)**	**(373.46)**	**(2,268.98)**	**36,225.63**	**147,253.73**
Add: Profit for the year	-	-	-	-	-	-	-	2,560.31	2,560.31
Add [Less]: Other comprehensive income	-	-	-	-	(556.79)	(112.08)	-	11.84	(657.03)
Total Comprehensive Income	-	-	-	-	**(556.79)**	**(112.08)**	-	**2,572.15**	**1,903.28**
Transfer from [to] Reserve	-	512.06	4,750.00	-	-	-	-	(5,262.06)	-
Less: Transfer to Impairment Reserve	-	-	-	6,928.33	-	-	-	(6,928.33)	-
Transactions with owners in their capacity as owners:									
Dividends	-	-	-	-	-	-	-	(2,890.28)	(2,890.28)
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	-	-	409.70	-	409.70
Amortisation for the year	-	-	-	-	-	-	1,045.67	-	1,045.67
As at March 31, 2021	**61,280.57**	**35,574.57**	**34,449.78**	**12,696.98**	**(18,697.76)**	**(485.54)**	**(813.61)**	**23,717.11**	**147,722.10**

See accompanying notes forming part of the consolidated financial statements 1-56

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

PTC India Financial Services Limited

Notes forming part of the consolidated financial statements

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

1. Company overview/Corporate information

PTC India Financial Services Limited ("PFS") is a registered Non-banking finance company (NBFC) with Reserve Bank of India (RBI) and has been awarded the Infrastructure Finance Company (IFC) status by RBI. PFS is set up with an objective to provide total financing solutions to the energy value chain which includes investing in equity or extending debt to road infrastructure projects and power projects in generation, transmission, distribution, fuel resources and fuel related infrastructure.

The Company's registered office and principal place of business is situated at 7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi - 110066. The shares of the Company are listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange.

The standalone and consolidated financial statements for the year ended March 31, 2021 were authorized and approved for issue by the Board of Directors on June 09, 2021.

1A. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised 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 repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written-down method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. Asset costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over a period of 5 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

c) **Revenue recognition**

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

Fee & Commission income

Income from business correspondent services is recognised as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

d) **Taxation**

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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 realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

e) **Employee benefits**

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

f) **Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

Compensation for impairment

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in statement of profit and loss when the compensation becomes receivable.

g) **Impairment of financial assets**

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

The Company considers various factors while considering the recoverability of credit impaired advances. These include nature and value of assets, different resolution channels, interest of potential buyers etc. Considering the typical nature of advances given by the Company, there is significant uncertainty and variability in timing of resolution of these advances. In reference to RBI's prudential norms, the Company does not recognize interest income on these advances on a conservative basis, and the provisioning is considered using current estimate of realization.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

i) Equity investment in associates

Investments representing equity interest in associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

j) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

k) Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

For leases entered into as a lessee

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

The Company does not have any leases as a lessor.

l) **Financial instruments**

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. **Investments in Security Receipts** – Investments in security receipts are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 recognised in the Statement of Profit and Loss.

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.

Derivative financial instruments and hedge accounting

Initial and subsequent measurement

The Company uses derivative financial instruments to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

o) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

p) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

q) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant management estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

r) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2021.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	0.11	0.25
Balances with banks:		
- in current accounts	17,226.36	15,507.75
- in deposit accounts with original maturity of less than three months	31,713.65	6,810.00
	48,940.12	**22,318.00**

4 Other bank balances

Balances with banks-		
- in earmarked accounts		
i. Unclaimed interest on debentures and bonds	2,065.93	461.61
ii. Unclaimed dividend	66.33	61.95
- in deposit accounts with original maturity of more than three months	34,387.64	20,441.24
	36,519.90	**20,964.80**

5 Derivative financial instruments

The Company enters into derivatives for risk management purposes. The Company has various derivative (i.e. cross currency interest rate swaps, call spread and cap spread options) contract which are entered into as an economic hedge for foreign currency and interest rate risks of the Company. The Company has designated cross currency swap contracts under cash flow hedge relationship and hedge accounting has been done.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

	As at March 31, 2021			As at March 31, 2020		
Particulars	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**
Currency derivatives						
- Currency and interest rate swaps	8,764.94	338.40	-	10,873.25	782.94	-
- Call spread option	13,577.96	789.27	-	20,827.26	1,377.77	-
- Cap spread option			0.02		1.06	-
Total derivatives	**22,342.90**	**1,127.67**	**0.02**	**31,700.51**	**2,161.77**	**-**
Included in above are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
- Currency and interest rate swaps	8,764.94	338.40	-	10,873.25	782.94	-
Undesignated derivatives	12,347.79	789.27	0.02	20,827.26	1,378.83	-
Total derivative financial instruments	**21,112.73**	**1,127.67**	**0.02**	**31,700.51**	**2,161.77**	**-**

5.1 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. Currency and interest rate swap contract meets the hedge accounting criteria as per Ind AS 109 and has been accounted as cash flow hedge. The Company has designated this contract in cash flow hedge relationship from January 1, 2019.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

(a) **Disclosure of effects of hedge accounting on financial performance**

For the year ended March 31, 2021

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss)	Hedge ineffectiveness recognised in statement of profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge Foreign currency and interest rate risk (i) Currency and interest rate swap	(890.10)	815.32	(74.78)	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

For the year ended March 31, 2020

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss)	Hedge ineffectiveness recognised in statement of profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge Foreign currency and interest rate risk (i) Currency and interest rate swap	(1,660.68)	1,324.52	(336.16)	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For derivative contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. currency and interest rate swap contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. foreign currency loan. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of foreign currency loan. The fair value of actual and hypothetical derivatives are represented by mark to market valuation obtained by the Company from the respective authorised dealers.

(b) **Movements in cash flow hedging reserve**

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(373.46)	(154.77)
Add: Changes in fair value of derivative contracts- gain/ (loss)	(890.10)	(1,660.68)
Less: Amount reclassified to profit or loss	815.32	1,324.52
Less: Deferred tax relating to above (net)	(37.30)	117.47
Closing balance	**(485.54)**	**(373.46)**

5.2 Derivatives not designated as hedging instruments

The Company uses currency and interest rate swaps and Call and Cap spread options to manage its interest rate risk and currency risk arising from USD denominated borrowings. The currency and interest rate call and cap spread options are not designated in a hedging relationship and valued based on the mark to market valuation received from the authorised dealers. The change in fair value of these contracts (mark to market) has been recognised in the Statement of Profit or Loss.

6 Trade receivables

Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	414.23	396.70
Credit impaired	-	-
	414.23	**396.70**
Less: Allowance for impairment loss allowance	37.37	-
	376.86	**396.70**

(i) All amounts are short-term. The net carrying amount of trade receivables is considered a reasonable approximation of their fair value.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(ii) Age of receivables :

Particulars	As at March 31, 2021	As at March 31, 2020
Within the credit period		
Up to 180 days past due	315.91	355.22
More than 180 days	60.95	41.48
	376.86	**396.70**

7 **Loans**

	As at March 31, 2021	As at March 31, 2020
At amortised cost		
(i) Term loans*	1,058,938.70	1,084,717.64
(ii) Loans to employees	38.42	34.48
Total - Gross	**1,058,977.12**	**1,084,752.12**
Less: Impairment loss allowance	62,866.49	47,892.00
Total - Net	**996,110.63**	**1,036,860.12**
(i) Secured by tangible assets (property, plant and equipment including land and building)**	1,010,431.84	1,001,514.82
(ii) Secured by book debts, inventories, fixed deposit and other working capital items	26,042.08	34,067.78
(ii) Secured by intangible assets	-	-
(ii) Covered by bank and government guarantee	22,500.00	49,166.67
(iii) Unsecured	3.20	2.85
Total - Gross	**1,058,977.12**	**1,084,752.12**
Less: Impairment loss allowance	62,866.49	47,892.00
Total - Net	**996,110.63**	**1,036,860.12**
Loans in India* **		
(i) Public sector	245,268.23	189,554.62
(ii) Others	813,708.89	895,197.50
Total - Gross	**1,058,977.12**	**1,084,752.12**
Less: Impairment loss allowance	62,866.49	47,892.00
Total - Net	**996,110.63**	**1,036,860.12**

* Includes interest accrued.

** Based on the value of tangible assets/project assets provided as security.

*** The Company does not hold any loans outside India.

The net carrying amount of loans is considered a reasonable approximation of their fair value.

Refer note 45 A on credit risk

8 **Investments**

Particulars	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
Investments in India										
Investment in equity instruments										
(a) Investment in associates										
61,121,415 (March 31, 2020: 61,121,415;) equity shares of ₹ 10 held in R.S. India Wind Energy Private Limited	-	-	-	4,737.33	**4,737.33**	-	-	-	4,737.33	**4,737.33**

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
4,390,000 (March 31, 2020:4,390,000) equity shares of ₹10 held in Varam Bio Energy Private Limited	-	-	-	-	-	-	-	-	-	-
(b) Investment in optionally convertible debentures										
90 (March 31, 2020: 90) optionally convertible debentures of ₹ 10 held in Varam Bio Energy Private Limited	-	-	-	428.58	**428.58**	-	-	-	428.58	**428.58**
Total Investment in associates (A+B)				**5,165.91**	**5,165.91**				**5,165.91**	**5,165.91**
Less: Allowance for Impairment Loss (C)				5,165.91	**5,165.91**				5,165.91	**5,165.91**
Total Net D= (A+B)-(C)				-	-				-	-

Other investments

Particulars	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
Investment in equity instruments										
(a) Investment in other companies (Refer Note (i) below)										
133,385,343 (March 31, 2020: 133,385,343;) equity shares of ₹ 10 held in East Coast Energy Private Limited	-	-	-	-	-	-	-	-	-	-
8,180,000 (March 31, 2020: 8,180,000;) equity shares of ₹ 10 held in Adhunik Power and Natural Resources Limited	-	-	-	-	-	-	-	-	-	-
39,831,212 (March 31, 2020: 39,831,212;) equity shares of ₹ 10 held in Athena Chattisgarh Power Limited	-	-	-	-	-	-	-	-	-	-
12,132,677 (March 31, 2020: 12,132,677;) equity shares of ₹ 10 held in Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	-	-
21,904,762 (March 31, 2020: Nil) equity shares held in Patel Engineering Limited (Face Value of ₹1 acquired at ₹ 14.78 in the OTS settlement with M/s Dirang Energy Pvt. Ltd).	-	2,562.85	-	-	2,562.85	-	-	-	-	-
(b) Investment in optionally convertible debentures										
200 (March 31, 2020: 200) optionally convertible debentures of ₹ 10,000,000 held in Ostro Energy Private Limited	-	-	21,824.01	-	21,824.01	-	-	20,514.91	-	20,514.91
Investment in security receipts										
307,470 (March 31, 2020: 307,470) security receipts of face value ₹1000 each held in Edelweiss Assets Reconstruction Co Ltd (13,200 @ ₹ 939.19 (previous year - ₹ 960.93) and 294,270 @ ₹ 984.04 (previous year - ₹ 991.21)) held in Adhunik Power and Natural Resources Limited.	3,019.71	-	-	-	3,019.71	3,043.68	-	-	-	3,043.68

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at March 31, 2021					As at March 31, 2020				
	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total	Fair value through statement of profit and loss	At fair value through other comprehensive income	At amortised cost	At cost	Total
Nil (March 31, 2020: 233,750) security receipts of ₹ 1000 each held in Phoenix ARC Pvt Ltd-Raigarh Champa Rail Infrastructure Private Limited (233,750 @ ₹ 550 each)	-	-	-	-	-	1,285.63	-	-	-	1,285.63
552,500 (March 31, 2020: 552,500 face value ₹ 1000 each) security receipts of held in Phoenix ARC Pvt Ltd-Sispara Renewable Pvt Ltd (552,500 @ ₹ 399 (previous year - ₹ 516 each).	2,204.47	-	-	-	2,204.47	2,850.90	-	-	-	2,850.90
7,99,000 (March 31, 2020: 7,99,000;) security receipts of ₹ 1000 each held in Phoenix ARC Pvt Ltd-RKM Powergen Pvt Ltd. (7,99,000 @ ₹ 984 (previous year - ₹ 1000) each)	7,862.16	-	-	-	7,862.16	7,990.00	-	-	-	7,990.00
Total Investments (A)	**13,086.34**	**2,562.85**	**21,824.01**	**-**	**37,473.20**	**15,170.21**	**-**	**20,514.91**	**-**	**35,685.12**
Less: Allowance for Impairment Loss (B)	-	-	143.19	-	143.19	-	-	117.55	-	117.55
Total Net C= (A)+(B)-(C)	**13,086.34**	**2,562.85**	**21,680.82**	**-**	**37,330.01**	**15,170.21**	**-**	**20,397.36**	**-**	**35,567.57**

Note:

(i) Fair value at initial recognition of investment in other companies accounted at fair value through other comprehensive income is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
East Coast Energy Private Limited	13,338.53	13,338.53
Adhunik Power and Natural Resources Limited	819.32	819.32
Athena Chattisgarh Power Limited	3,983.12	3,983.12
Prayagraj Power Generation Company Limited	-	-
Patel Engineering Limited	3,237.52	-
	21,378.49	**18,140.97**

(ii) Investments acquired through invocation of pledge shares (collaterals) has not been considered as an investment.

9 Other financial assets

Security deposits	62.49	57.49
Others	-	47.50
	62.49	**104.99**

10 Current tax assets (net)

Tax assets		
Advance income tax	96,578.10	101,783.40
Taxes paid under dispute*	2,540.97	2,034.37
Tax liabilities		
Provision for income tax	76,303.90	74,451.07
	22,815.17	**29,366.70**

*Includes amounts under dispute by company/other party. Refer Note 52

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

11 Deferred tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment and intangible assets	104.20	61.47
Foreign currency monetary items translation difference account	117.43	646.08
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	10,378.29
Financial liabilities measured at amortised cost	821.36	661.67
	9,713.31	**11,747.51**
Tax effect of items constituting deferred tax assets		
Provision for employees benefits	114.42	161.50
Impairment on financial instruments	15,834.28	17,106.62
Accrued interest deductible on payment	13.90	29.40
Provision for diminution in value of unquoted non-current trade investments	251.08	127.22
Financial assets measured at amortised cost	1,019.54	1,423.39
Tax loss	-	5,232.22
Cash flow hedge reserve	163.30	200.60
Lease liability	29.14	30.93
	17,425.66	**24,311.88**
Deferred tax (assets) /liabilities (net)	**(7,712.35)**	**(12,564.37)**

Deferred taxes arising from temporary differences for the year ended March 31, 2021 and March 31, 2020 are summarized as follows:

Deferred tax assets/(liabilities)	As at April 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	61.47	42.73	-	104.20
Foreign currency monetary items translation difference account	646.08	(528.65)	-	117.43
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	10,378.29	(1,707.97)	-	8,670.32
Financial liabilities measured at amortised cost	661.67	159.69	-	821.36
	11,747.51	**(2,034.20)**	**-**	**9,713.31**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	161.50	(43.10)	(3.98)	114.42
Impairment on financial instruments	17,106.62	(1,272.34)	-	15,834.28
Accrued interest deductible on payment	29.40	(15.50)	-	13.90
Losses/ diminution in value of investments	127.22	5.98	117.88	251.08
Financial assets measured at amortised cost	1,423.39	(403.85)	-	1,019.54
Tax loss	5,232.22	(5,232.22)	-	-
Cash flow hedge reserve	200.60	-	(37.30)	163.30
Lease liability	30.93	(1.79)	-	29.14
	24,311.88	**(6,962.82)**	**76.60**	**17,425.66**
Deferred tax (assets) /liabilities (net)	**(12,564.37)**	**4,928.62**	**(76.60)**	**(7,712.35)**

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Deferred tax assets/(liabilities)	As at April 1, 2019	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	29.82	31.65	-	61.47
Foreign currency monetary items translation difference account	885.02	(238.94)	-	646.08
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	10,378.29	-	-	10,378.29
Financial liabilities measured at amortised cost	412.07	249.60	-	661.67
	11,705.20	**42.31**	**-**	**11,747.51**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	121.79	26.60	13.11	161.50
Impairment on financial instruments	25,723.54	(8,616.92)	-	17,106.62
Accrued interest deductible on payment	38.60	(9.20)	-	29.40
Losses/ diminution in value of investments	99.84	27.38	-	127.22
Financial assets measured at amortised cost	2,177.66	(754.27)	-	1,423.39
Tax loss	2,098.31	3,133.91	-	5,232.22
Cash flow hedge reserve	83.13	-	117.47	200.60
Lease liability	-	30.93	-	30.93
	30,342.87	**(6,161.57)**	**130.58**	**24,311.88**
Deferred tax (assets) /liabilities (net)	**(18,637.67)**	**6,203.88**	**(130.58)**	**(12,564.37)**

The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, has recognised current tax for the year ended March 31, 2021. Also, deferred tax assets/liabilities has been remeasured on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financials year by revising the annual effective income tax rate.

12 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Right of use-Buildings	Leasehold improvements	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Office equipment	Total
Gross carrying amount (at cost)										
As at April 1, 2019	**-**	**456.24**	**-**	**11.94**	**3,522.75**	**100.05**	**174.41**	**66.29**	**210.00**	**4,541.68**
Additions	1,574.76	-	3.50	-	-	-	13.04	-	2.89	1,594.19
Disposals	-	-	-	-	-	-	7.68	-	2.90	10.58
As at March 31, 2020	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**179.77**	**66.29**	**209.99**	**6,125.29**
Additions	-	-	-	-	-	-	11.78	-	6.69	18.47
Disposals	-	-	-	-	-	-	11.24	-	3.47	14.71
As at March 31, 2021	**1,574.76**	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**180.31**	**66.29**	**213.21**	**6,129.05**
Accumulated depreciation										
As at April 1, 2019	**-**	**343.44**	**-**	**4.37**	**2,581.11**	**68.80**	**133.09**	**16.13**	**167.52**	**3,314.46**
Charge for the year	420.42	23.97	-	0.37	120.18	8.10	26.67	15.70	16.79	632.20
Disposals/Adjustments	-						7.24		1.91	9.15
As at March 31, 2020	**420.42**	**367.41**	**-**	**4.74**	**2,701.29**	**76.90**	**152.52**	**31.83**	**182.40**	**3,937.51**
Charge for the year	419.25	23.97		0.35	104.58	5.98	17.01	10.76	10.75	592.65
Disposals/Adjustments	-	-	-	-	-	-	10.68	-	2.40	13.08
As at March 31, 2021	**839.67**	**391.38**	**-**	**5.09**	**2,805.87**	**82.88**	**158.85**	**42.59**	**190.75**	**4,517.08**
Net carrying amount										
As at March 31, 2020	**1,154.34**	**88.83**	**3.50**	**7.20**	**821.46**	**23.15**	**27.25**	**34.46**	**27.59**	**2,187.78**
As at March 31, 2021	**735.09**	**64.86**	**3.50**	**6.85**	**716.88**	**17.17**	**21.46**	**23.70**	**22.46**	**1,611.97**

(i) Refer note 41 for information on property, plant and equipment pledged as security by the Company.

(ii) Lease of office building is recognised as right-of-use assets in accordance with Ind AS 116. Refer note 46

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

13 Intangible asset

	Computer software	Total
Gross carrying amount (at cost)		
As at April 1, 2019	**265.17**	**265.17**
Additions	-	
Disposals	-	-
As at March 31, 2020	**265.17**	**265.17**
Additions	16.76	16.76
Disposals	-	-
As at March 31, 2021	**281.93**	**281.93**
Accumulated depreciation		
As at April 1, 2019	**261.12**	**261.12**
Charge for the year	1.96	1.96
Adjustments	-	-
As at March 31, 2020	**263.08**	**263.08**
Charge for the year	2.78	2.78
Adjustments	-	-
As at March 31, 2021	**265.86**	**265.86**
Net carrying amount		
As at March 31, 2020	2.09	2.09
As at March 31, 2021	16.07	16.07

14 Other non-financial assets

Particulars	**As at March 31, 2021**	As at March 31, 2020
Capital advances*	1,538.85	1,538.85
Provision for advances	(1,038.85)	-
	500.00	**1,538.85**
Prepaid expense	68.36	64.40
Balances with government authorities	15.98	85.63
	584.34	**1,688.88**

*The Company and its Holding Company (PTC India Limited) had signed an agreement in March, 2017 for acquisition of land (share of 50% each) situated at Greater Noida Expressway, Noida, Uttar Pradesh to be used for construction of office building of PTC Group. Accordingly, the Company deposited its share of the transfer charges of ₹ 1,025.79 lakhs with Yamuna Expressway Industrial Development Authority (YEIDA) for transfer of the land. Subsequently, YEIDA cancelled the approval for transfer and forfeited the transfer charges deposited, citing the reason as delay in registration, however, the delay was not attributable to the Company. The Company has filed an appeal before Principal Secretary, Urban Development, Government of UP as per directions of Allahabad High Court for retrieving the forfeited amount. Presently, the matter is pending before Principal Secretary, Government of UP. During the year, the Company and the holding company have decided to cancel the land deal considering various factors i.e. land cost, increased capex cost over the period coupled with the seller's intention to withdraw from the deal etc. Therefore, it has been considered appropriate to create a provision against amount forfeited by YEIDA and other incidental expenses amounting to ₹ 1,038.85 lakhs as at March 31, 2021.

15 Debt securities

At amortised cost		
Unsecured		
Commercial paper (i)	29,474.58	-
Secured		
Infrastructure bonds (ii)	10,919.55	13,637.35
Debentures (iii) #	23,214.67	27,660.75
Total	**63,608.80**	**41,298.10**
Debt securities in India	43,392.93	18,137.35
Debt securities outside India	20,215.87	23,160.75
	63,608.80	**41,298.10**

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Commercial paper

Commercial paper are unsecured and privately placed and carries interest of 7.60% p.a. Repayable in a bullet payment at the end of 12 months from date of disbursement i.e. June 29, 2020.

(ii) Infrastructure bonds

NIL (March 31, 2020: 51,272) privately placed 8.25%/8.30% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 1) amounting to ₹ NIL (March 31, 2020: ₹ 2,563.60 lakhs) allotted on March 31, 2011 redeemable at par in 5 to 10 years commenced from March 31, 2016 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other unencumbered receivables of the Company to provide 100% security coverage. During the year, the company has repaid ₹ 2,563.60 lakhs (March 31, 2020: ₹ 51.15 lakhs) under final repayment as due in in FY2020-21 as per terms of Infra Series 1.

218,391 (March 31, 2020: 221,473) privately placed 8.93%/9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 2) amounting to ₹ 10,919.55 lakhs (March 31, 2020: ₹ 11,073.75 lakhs) allotted on March 30, 2012 redeemable at par in 5 to 15 years commencing from March 30, 2017 are secured by way of first charge on the receivables of the assets created from the proceeds of infrastructure bonds and other receivables of the Company to provide the 100% security coverage. During the year, the company has repaid ₹ 154.10 lakhs (March 31, 2020: ₹ 399.35 lakhs) under buyback scheme exercised by eligible holders of infrastructure bonds in FY2020-21 as per terms of Infra Series 2.

(iii) Debentures

900 (March 31, 2020: 900) privately placed 10.50% secured redeemable non-convertible debentures of ₹ 333,333 each (March 31, 2020: ₹ 500,000 each) (Series 3) amounting to ₹ 3,000.00 lakhs (March 31, 2020: ₹ 4,500.00 lakhs) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018.

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

2,135 (March 31, 2020: 2,135) privately placed 9.62% secured redeemable non-convertible debentures of ₹ 670,000 each (March 31, 2020 : ₹ 670,000 each) (Series 4) amounting to ₹ 14,304.50 lakhs (March 31, 2020 : ₹ 14,304.50 lakhs were allotted on June 03, 2015 redeemable at par in 3 tranches divided in 33% of face value on May 28, 2019, 33% of face value on May 28, 2021 and balance 34% of face value on May 28, 2025.

Series 4 debentures are secured by way of first charge by way of hypothecation of the specified receivables of the Company comprising asset cover of at least 110% of the amount of the Debentures.

1,500 (March 31, 2020: 1,500) privately placed 9.80% secured redeemable non-convertible debentures of ₹ 400,000 each (March 31, 2020 : 6,00,000 each) (Series 5) amounting to ₹ 6,000.00 lakhs (March 31, 2020: ₹ 9,000.00 lakhs) were allotted on June 16, 2015 redeemable at par in five equal annual instalments commencing from June 12, 2018.

Series 5 debentures are secured by way of first ranking exclusive charge by way of hypothecation of the identified receivables of the Company comprising asset cover of at least 100% of the amount of the Debentures.

#Net of Ind AS adjustments in respect of transaction costs at Effective Interest Rate (EIR) amounting to ₹ 89.83 lakhs (March 31, 2020: ₹ 143.75 lakhs)

16 Borrowings (other than debt securities)

Particulars	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Loans		
- from banks (i)	800,685.09	843,090.07
- from financial institutions (ii)	30,000.00	10,273.68
-External commercial borrowings from financial institutions (iii)	22,284.05	31,601.45
Lease liability	841.78	1,228.56
Total	**853,810.92**	**886,193.76**
Borrowings in India	831,526.87	854,592.31
Borrowings outside India	22,284.05	31,601.45
Total	**853,810.92**	**886,193.76**

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Term loan from bank

Term loans from banks carry interest ranging from 6.70% to 9.50% p.a. The loans carry various repayment schedules according to their respective sanctions and thus are repayable in 12 to 48 quarterly instalments. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation (other than assets created/ to be created in favour of specific lenders) so that lenders should have at least 100%/ 111% security coverage on its outstanding loan at all times during the currency of the loan.

(ii) Term loan from financial institution

Loan from financial institution carries interest of 6.75% p.a. The loan is repayable in a bullet payment at the end of 12 months from date of disbursement. The loan is secured by first pari-passu charge over entire receivables (excluding receivables specifically charged to other lenders)/ book debts of company covering 100% of the principal outstanding loan at any point of time.

(iii) External commercial borrowings

External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a. The loans are repayable in 32/36 equal quarterly instalments as per the due dates specified in the respective loan agreements. The borrowings are secured by way of first ranking exclusive charge on all present and future receivables of the eligible loan assets created by the proceeds of ECB. During the year ended March 31, 2021, four quarterly repayments of ECB loans has been made amounting to USD 11,638,888 (₹ 8,471.49 Lakhs).

17 Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due on borrowings		
- Term loan	285.44	1,397.32
- Debentures	699.49	819.86
- Infrastructure bonds	9,564.96	10,166.60
Unclaimed dividend	66.33	61.95
Unclaimed interest on debentures and bonds	2,065.93	461.61
Deferred processing/upfront fees	1,249.05	938.67
Income received in advance	672.40	182.20
Security deposit from borrowers	8,011.35	9,723.00
	22,614.95	**23,751.21**

18 Provisions

Gratuity	217.21	191.04
Compensated absences	168.27	211.98
Other employees benefits	69.15	59.16
	454.63	**462.18**

19 Other non-financial liabilities

Statutory remittances	261.87	331.39
	261.87	**331.39**

20 Equity share capital

Authorised Equity share capital		
1,250,000,000 (March 31, 2020: 1,250,000,000) equity shares of ₹ 10 each	125,000.00	125,000.00
Authorised Preference share capital		
750,000,000 (March 31, 2020: 750,000,000) preference shares of ₹ 10 each	75,000.00	75,000.00
Total	**200,000.00**	**200,000.00**
Issued, subscribed and paid up Equity share capital		
642,283,335 (March 31, 2020: 642,283,335) equity shares of ₹ 10 each fully paid up	64,228.33	64,228.33
	64,228.33	**64,228.33**

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Movement in issued, subscribed and paid up Equity Share Capital

Particulars	Equity Share Capital	
	Number of shares	Amount
As at April 1, 2019	642,283,335	64,228.33
Add: Equity shares issued during the year	-	-
As at March 31, 2020	642,283,335	64,228.33
Add: Equity shares issued during the year	-	-
As at March 31, 2021	642,283,335	64,228.33

(ii) Shareholders holding more than 5% shares are set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	%	Number of shares	%
PTC India Limited#	417,450,001	64.99	417,450,001	64.99

#Holding company by virtue of holding more than one-half of equity share capital.

(iii) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

21 Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium account	61,280.57	61,280.57
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	35,574.57	35,062.51
Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)	34,449.78	29,699.78
Impairment reserve	12,696.98	5,768.65
Equity instruments through other comprehensive income	(18,697.76)	(18,140.97)
Cash flow hedge reserve	(485.54)	(373.46)
Foreign currency monetary items translation difference account	(813.61)	(2,268.98)
Retained earnings	23,717.11	36,225.63
Total	**147,722.10**	**147,253.73**

(i) Securities premium account

Opening balance	**61,280.57**	**61,280.57**
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	**61,280.57**	**61,280.57**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)

Opening balance	**35,062.51**	**32,862.53**
Add: Transferred from Retained earnings	512.06	2,199.98
Closing balance	**35,574.57**	**35,062.51**

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1961. The reserve is utilised in accordance with the provisions of the relevant statutes.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(iii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	29,699.78	29,699.78
Add: Transferred from Retained Earnings	4,750.00	-
Closing balance	34,449.78	29,699.78

This reserve is maintained in accordance with the provisions of Section 36(1) (viii) of the Income tax Act, 1961. The reserve is utilised in accordance with the provisions of the relevant statutes.

(iv) Impairment Reserve

Opening balance	**5,768.65**	-
Add: Transferred from Retained Earnings	6,928.33	5,768.65
Closing balance	**12,696.98**	**5,768.65**

This reserve is maintained in accordance with the RBI Circular on Implementation of Ind AS dated March 13, 2021. The reserve is utilised in accordance with the provisions of the relevant circular. Refer note 47

(v) Equity instruments through other comprehensive income

Opening balance	**(18,140.97)**	**(18,140.97)**
Add: Change in fair value of FVOCI equity investments	(674.67)	-
Add/less: Tax impact	117.88	-
Closing balance	**(18,697.76)**	**(18,140.97)**

The Company has elected to recognise changes in fair value of equity investments in other comprehensive income. These changes are accumulated within the "Reserve for equity instruments through other comprehensive income". The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(vi) Cash flow hedge reserve

Opening balance	**(373.46)**	**(154.77)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	(890.10)	(1,660.68)
Less: Amount reclassified to profit or loss	815.32	1,324.52
Less: Tax impact	(37.30)	117.47
Closing balance	**(485.54)**	**(373.46)**

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with its foreign currency borrowings. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to profit or loss when hedged item affects profit or loss.

(vii) Foreign currency monetary items translation difference account

Opening balance	**(2,268.98)**	**(2,533.57)**
Add/(less): Effect of foreign exchange rate variations during the year (net)	409.70	(1,653.41)
Add/less: Amortisation for the year through profit or loss	1,045.67	1,918.00
Closing balance	**(813.61)**	**(2,268.98)**

Foreign currency monetary items translation difference account comprises of the unamortised loss/gain on long term foreign currency monetary items (except derivative financial instruments), for which the Previous GAAP policy is carried forward.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

(viii) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	**36,225.63**	**39,413.23**
Add: Net profit for the year	2,560.31	10,999.89
Add: Remeasurement of post-employment benefit obligation, net of tax	11.84	(24.40)
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(512.06)	(2,199.98)
Less: Transferred to special reserve u/s 36(1) (viii) of the Income tax Act Act, 1961	(4,750.00)	-
Less: Trasfer to Impairment Reserve	(6,928.33)	(5,768.65)
Less: Dividend on equity shares [₹ 0.45 per equity share (March 31, 2019: Re. 0.80 per equity share]	(2,890.28)	(5,138.27)
Less: Tax on equity dividend	-	(1,056.19)
Closing balance	**23,717.11**	**36,225.63**
Distributions made and proposed		
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2020: ₹ 0.45 per share (March 31, 2019: ₹ 0.80 per share)	2,890.28	5,138.27
Dividend Distribution tax on final dividend	-	1,056.19
Proposed dividend on Equity Shares:		
Final dividend for the year ended March 31, 2021: ₹ Nil per share (March 31, 2020: ₹ 0.45 per share)	-	2,890.28

22 Interest income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income from loan financing	106,024.52	130,834.14
Interest income from debentures	2,571.55	1,305.56
Interest on fixed deposits	1,921.26	278.96
Interest income on other financial assets	7.21	7.03
	110,524.54	**132,425.69**

23 Fee and commission Income

Fee based income	2,183.66	3,486.64
	2,183.66	**3,486.64**

24 Net gain on fair value changes

Net gain /(loss) on financial instruments at fair value through profit or loss		
- Gain on MTM of derivatives	-	117.80
	-	**117.80**

25 Other income

Consultancy and other services	89.89	14.09
Profit on sale of property, plant and equipment	0.48	0.34
Interest on income tax refund	773.47	3.88
Miscellaneous Income	24.41	527.72
	888.25	**546.03**

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

26 Finance costs (on financial liabilities measured at amortised cost)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses on:		
Borrowings:		
-On Loans from banks/ financial institutions	66,284.19	84,396.95
-On External commercial borrowings	1,609.17	2,295.17
-On lease liability	105.46	142.14
Debt securities		
-On Infra bonds	2,087.15	2,031.11
-On Debentures	2,515.17	3,094.26
-On Commercial paper	1,588.14	301.94
Other interest expenses:		
- Delayed payment of income tax	-	0.10
- Interest expense on security deposits	696.24	658.45
Other Borrowing Costs:		
- Loss/amortisation of foreign currency transaction/transalation*	264.71	1,924.52
	75,150.23	**94,844.64**

*Net of realised gain on repayment of foreign currency loans amounting to ₹ 780.96 lakhs. Refer Note 21 (vii)

27 Fees and commission expense

Other charges on term loans and other borrowings	148.02	190.75
	148.02	**190.75**

28 Net loss on fair value changes

Net loss on financial instruments at fair value through profit or loss		
-Loss on MTM of derivatives	595.82	-
	595.82	**-**

29 Impairment on financial instruments

Impairment loss on financial instruments based on category of financial instrument:		
Loans*	23,121.22	18,809.82
Others	(174.25)	760.73
	22,946.97	**19,570.55**

* Refer note 45 (A.4)

30 Employees benefit expense

Salaries and other allowances	1,508.10	1,439.49
Contribution to provident fund	62.09	61.52
Staff welfare expense	104.14	139.91
	1,674.33	**1,640.92**

31 Depreciation and amortisation expense

Depreciation on tangible assets and right-of-use (Refer note 12)	592.65	632.20
Amortisation on intangible assets (Refer note 13)	2.78	1.96
	595.43	**634.16**

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

32 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	49.38	36.19
Repairs and maintenance		
- Plant and equipment	109.68	104.69
- others	94.21	71.79
Insurance	6.99	20.97
Rates and taxes	21.86	4.57
Communication	28.31	28.99
Travelling and conveyance	13.54	86.77
Advertising and business development	19.33	74.57
Donation	-	40.67
Corporate social responsibility expenses	252.30	641.27
Legal and professional	1,567.05	1,419.30
Auditor remuneration:	-	
- For statutory audit	8.18	18.60
- For quarterly audit/limited review	14.72	16.92
- For tax audit	1.64	1.86
- For other certification and reporting	2.73	7.68
- For out of pocket expenses	0.12	3.72
Loss on sale of property, plant and equipment	1.09	0.82
AGM expenses	7.73	20.16
Bank charges	5.78	3.59
Directors' sitting fees	73.24	87.64
Provision on capital advances	1,038.85	-
Miscellaneous expenses	176.14	195.48
	3,492.87	**2,886.25**

33 Income tax expense

Income tax expense recognised in Statement of profit and loss

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax		
In respect of the current year	1,852.83	-
	1,852.83	-
Deferred tax charge/ (benefits)		
In respect of the current year	4,928.62	6,203.88
	4,928.62	6,203.88

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:-

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
Profit before tax	9,341.76	17,203.77
Domestic tax rate	25.168%	34.944%
Expected tax expense [A]	**2,351.13**	**6,011.69**
Adjustment on account of non-deductible expenses and special reserve	798.46	265.97
Reversal during tax holiday period	116.83	(73.78)
Adjustment for change in tax rate during the year	3,515.03	-
Others	-	-
	4,430.32	**192.19**
Actual tax expense [C=A+B]	**6,781.45**	**6,203.88**
Tax expense comprises:		
In respect of the current year	1,852.83	-
Deferred tax credit	4,928.62	6,203.88
Tax earlier year	-	-
Tax expense recognized in profit or loss [D]	**6,781.45**	**6,203.88**
Income tax expense recognized in other comprehensive income		
Income tax relating to cash flow hedge reserve	(37.30)	117.47
Income tax relating to remeasurement gains/(losses) on defined benefit plans	(3.98)	13.11
Income tax relating to FVTOCI to equity investments	117.88	-
	76.60	**130.58**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will be reclassified to profit or loss	(37.30)	117.47
Items that will not be reclassified to profit or loss	113.90	13.11
	76.60	**130.58**

34 **Contingent liabilities and commitments**

Particulars	**As at March 31, 2021**	As at March 31, 2020
a) In respect of following:		
- Income tax matters	3,671.78	3,163.15
b) Commitments		
- Loan financing	34,259.50	38,942.00
- Capital commitments	-	5,150.00

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on financial position of the Company. Amount above does not include the contingencies the likelihood of which is remote.

35 **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006***

Principal amount remaining unpaid to any supplier as at the end of the accounting year/period.	13.75	13.75
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year/period.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year/period.	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

* No interest is payable on outstanding amount.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

36 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at April 1, 2019	**53,229.44**	**1,038,603.79**	**1,091,833.23**
Cash flows:			
Proceeds from debt securities/borrowings	10,000.00	92,614.71	102,614.71
Repayment of debt securities/borrowings	(21,995.89)	(246,016.61)	(268,012.50)
Repayment of lease liability	-	(326.67)	(326.67)
Non-cash:			
Impact on account of Ind AS 116 transition	-	1,555.23	1,555.23
Foreign currency fluctuation impact	-	(264.59)	(264.59)
Impact of borrowings measured at amortised cost	64.55	27.90	92.45
As at March 31, 2020	**41,298.10**	**886,193.76**	**927,491.86**
Cash flows:			
Proceeds from debt securities/borrowings	29,474.58	161,869.72	191,344.30
Repayment of debt securities/borrowings	(7,217.82)	(192,280.37)	(199,498.19)
Repayment of lease liability	-	(386.78)	(386.78)
Non-cash:			
Foreign currency fluctuation impact	-	(1,455.37)	(1,455.37)
Impact of borrowings measured at amortised cost	53.94	(130.04)	(76.10)
As at March 31, 2021	**63,608.80**	**853,810.92**	**917,419.72**

37 Disclosures under Ind AS 19 (Employee benefits)

The details of various employee benefits provided to employees are as under:

Defined contribution plans

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Provident fund	62.09	61.52

Defined benefit plans:

The Company has following defined benefit plans for its employees

- Gratuity: The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

- Post-Retirement Medical Benefit: The Company operates post-employment medical benefits scheme. The liability is recognised on the basis of actuarial valuation.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk , longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by Mr. K.K. Dharni (FIAI M.No. 00051), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Principal assumptions:	Gratuity/Post Medical retirement benefit	
	As at March 31, 2021	As at March 31, 2020
Discount rate	6.79%	6.76%
Future salary increase	8.50%	8.50%
Retirement age	60/62	60/62
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Service cost				
Current service cost	28.05	27.82	7.02	6.71
Past service cost and (gain)/Loss from settlements	-	-	-	-
Net interest expense	12.91	10.76	4.00	2.29
Component of defined benefit cost recognised in profit or loss	**40.96**	**38.58**	**11.02**	**9.00**
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0.11	-	0.13
Actuarial (gains)/ losses arising from changes in financial assumptions	(7.02)	9.46	2.17	7.00
Actuarial (gains)/ losses arising from experience adjustments	(7.77)	7.70	(3.20)	13.11
Component of defined benefit cost recognised in Other comprehensive Income	**(14.79)**	**17.27**	**(1.03)**	**20.24**

The Current Service Cost and the net interest expense for the year are included in the Employee benefits expenses line items in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Present value of obligation as at the beginning	191.04	140.61	59.16	29.92
Current service cost	28.05	27.82	7.02	6.71
Interest cost	12.91	10.76	4.00	2.29
Past service cost including curtailment gains/ losses	-	-	-	-
Benefits paid	-	(5.42)	-	-
Net actuarial (gain) / loss recognised	(14.79)	17.27	(1.03)	20.24
Present value of obligation as at the end	217.21	191.04	69.15	59.16

The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of defined benefit plans to the amounts presented in the statement of balance sheet is presented below:

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Present Value of unfunded defined benefit obligation	217.21	191.04
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**217.21**	**191.04**

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Post Medical retirement benefit	
	As at March 31, 2021	As at March 31, 2020
Present Value of unfunded defined benefit obligation	69.15	59.16
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**69.15**	**59.16**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 0.5 basis points higher (lower), the defined benefit obligation would decrease by ₹ 24.65 lakhs (increase by ₹ 27.25 lakhs) [March 31, 2020: 22.06 lakhs (increase by ₹ 24.41 lakhs)].

- If the expected salary growth increases (decreases) by 0.5 basis points, the defined benefit obligation would increase by ₹ 13.80 lakhs (decrease by ₹ 12.72 lakhs) [March 31, 2020: increase by ₹ 12.86 lakhs (decrease by ₹ 11.82 lakhs)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2021	As at March 31, 2020
Average duration of the defined benefit obligation (in years)		
Less than 1 year	3.42	2.56
Between 1-2 years	8.95	16.77
Between 2-5 years	50.27	44.57
Over 5 years	223.73	186.30
Total	**286.37**	**250.20**

38 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2021			March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	48,940.12	-	48,940.12	22318	-	22,318.00
Bank balances other than (a) above	36,519.90	-	36,519.90	9305.81	11,658.99	20,964.80
Derivative financial instruments	-	1,127.65	1,127.65	-	2,161.77	2,161.77
Trade receivables	376.86	-	376.86	396.7	-	396.70
Loans	252,696.40	743,414.23	996,110.63	85,337.33	951,522.79	1,036,860.12
Investments	-	37,330.01	37,330.01	-	35,567.57	35,567.57
Other financial assets	-	62.49	62.49	-	104.99	104.99

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	March 31, 2021			March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial assets						
Current tax assets (Net)	-	22,815.17	22,815.17	-	29,366.70	29,366.70
Deferred tax assets (Net)	-	7,712.35	7,712.35	-	12,564.37	12,564.37
Property, Plant and Equipment	-	876.88	876.88	-	1,033.44	1,033.44
Right of use-Buildings	-	735.09	735.09	-	1,154.34	1,154.34
Intangible asset	-	16.07	16.07	-	2.09	2.09
Other non-financial assets	84.34	500.00	584.34	150.03	1,538.85	1,688.88
Total Assets	**338,617.62**	**814,589.94**	**1,153,207.56**	**117,507.87**	**1,046,675.90**	**1,164,183.77**
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	-	-
Payables						
Trade Payables						
(i) total outstanding dues to micro and small enterprises	13.75	-	13.75	13.75	-	13.75
(ii) total outstanding dues of creditors other than micro and small enterprises	492.21	-	492.21	651.32	-	651.32
Debt securities	51,940.13	11,668.67	63,608.80	18,137.25	23,160.85	41,298.10
Borrowings (Other than debt securities)	210,384.88	643,426.04	853,810.92	179,638.97	706,554.79	886,193.76
Other financial liabilities	19,895.90	2,719.05	22,614.95	14,173.54	9,577.67	23,751.21
Non-financial liabilities						
Provisions	15.19	439.44	454.63	7.65	454.53	462.18
Other non-financial liabilities	261.87	-	261.87	331.39	-	331.39
Total Liabilities	**283,003.93**	**658,253.20**	**941,257.13**	**212,953.87**	**739,747.84**	**952,701.71**
Net equity	**55,613.69**	**156,336.75**	**211,950.43**	**(95,446.00)**	**306,928.06**	**211,482.06**

39 Segment reporting

The Company's main business is to provide finance for energy value chain through investment and lending into such projects. All other activities revolve around the main business. The Company does not have any geographic segments. As such, there are no separate reportable segments as per IND AS 108 on "Segment Reporting".

40 Related party disclosures under Ind AS 24

Related party disclosures

Name of related parties and their relationship:

Name of related party	Nature of Relationship
PTC India Limited	Holding company
PTC Energy Limited	Fellow subsidiary company
R.S. India Wind Energy Private Limited	Associate company
Varam Bio Energy Private Limited	Associate company
PTC Foundation	Trust to Holding company

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Key management personnel:

Shri Deepak Amitabh	Chairman and Non Executive Director
Dr. Pawan Singh	Managing Director and CEO
Shri Naveen Kumar	Whole Time Director
Mrs. Pravin Tripathi	Independent Director
Dr. Rajib K. Mishra	Nominee Director Director (ceased w.e.f 02nd June, 2020)
Shri Kamlesh S. Vikamsey	Independent Director
Shri Santosh B. Nayar	Independent Director
Dr. Nagesh Singh	Independent Director (ceased w.e.f. 02nd July, 2020)
Shri Rakesh Kacker	Nominee Director
Shri Thomas Mathew T.	Independent Director
Sh. Ajit Kumar	Nominee Director (appointed w.e.f 6th July, 2020)
Sh. Rajiv Malhotra	Nominee Director (appointed w.e.f 6th July, 2020)
Mr. Sanjay Rustagi	Chief Financial Officer
Mr. Vishal Goyal	Company Secretary

Transactions with the key management personnel during the year:

Particulars	**Nature of transaction**	**Year ended March 31, 2021**	Year ended March 31, 2020
Dr. Pawan Singh	**Remuneration**		
	Short-term benefits	113.08	99.51
	Post-employment benefits	3.01	5.78
	Other long-term benefits	-	3.88
		116.09	**109.17**
Shri Naveen Kumar	**Remuneration**		
	Short-term benefits	90.17	83.03
	Post-employment benefits	1.28	1.47
	Other long-term benefits	2.17	2.31
		93.62	**86.81**
Dr. Ashok Haldia	**Remuneration**		
	Post-employment benefits	-	9.21
	Other long-term benefits	-	-
	Other long-term benefits	-	0.84
		-	**10.05**
Non-Executive Independent Director*	**Sitting fees**	67.20	80.40
	Reimbursement of expenses	-	0.96
		67.20	**81.36**

* Includes ₹ 22.00 lakhs (previous year ₹ 20.00 lakhs) which has been paid to the holding company as sitting fees of the directors

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Transactions with the related parties

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
With Holding company		
Expenses reimbursed	20.35	29.77
Expenses paid	-	4.73
Director sitting fees	22.00	20.00
Dividend paid	1,878.53	3,339.60
With fellow subsidiary company		
Interest income	1,579.34	1,104.04
Fee based income	-	60.93
Expenses paid	-	2.94
Expenses reimbursed	-	15.29
With Trust to Holding company		
Amount paid for CSR spend	220.99	620.43

Loans to fellow subsidiary company

PTC Energy Limited

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Beginning of the year	13,122.62	6,145.66
Loan Disbursed	2,500.00	7,500.00
Loan repayments received	(3,405.43)	(523.04)
Interest charged	1,579.34	1,104.04
Interest received	(1,171.60)	(1,104.04)
End of the year	**12,624.93**	**13,122.62**

Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2021	As at March 31, 2020
PTC Energy Limited	Payables	-	13.67
PTC Energy Limited	Receivables- loan given	12,624.93	13,122.62

41 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current assets		
Property, Plant and Equipment - Building	6.85	7.20
Loans	996,107.43	1,036,857.27
Trade receivables	376.86	396.70

Refer Note 6, 7 and 12

42. Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

42.1 Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios

- to ensure the ability to continue as a going concern

- to provide an adequate return to shareholders

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares, or sell assets to reduce debt. The Company has a target gearing ratio of 3.00 to 4.50 determined as a proportion of net debt to total equity.

42.2 Regulatory capital

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The BoDs regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR). Further, the Company also ensures compliance of guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital Adequacy Ratio (CAR) and other key financial parameters of the Company are as under:

Capital Adequacy ratio - Tier I	23.70%
Capital Adequacy ratio - Tier II	0.40%
	24.10%

43. Categories of financial instruments

43.1 The Carrying value of financial assets and liabilities are as follows :-

As at March 31, 2021

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	13,086.34	2,562.85	21,680.82	37,330.01
Loans	-	-	996,110.63	996,110.63
Derivative assets	789.25	338.40	-	1,127.65
Trade Receivables	-	-	376.86	376.86
Cash and cash equivalents	-	-	48,940.12	48,940.12
Bank balances other than above	-	-	36,519.90	36,519.90
Other financial assets	-	-	62.49	62.49
Total financial assets	**13,875.59**	**2,901.25**	**1,103,690.82**	**1,120,467.66**
Debt Securities	-	-	63,608.80	63,608.80
Borrowings (Other than debt securities)	-	-	853,810.92	853,810.92
Derivative liabilities	-	-	-	-
Trade payables	-	-	505.96	505.96
Other financial liabilities	-	-	22,614.95	22,614.95
Total financial liabilities	**-**	**-**	**940,540.63**	**940,540.63**

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

As at March 31, 2020

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	15,170.21	-	20,397.36	35,567.57
Loans	-	-	1,036,860.12	1,036,860.12
Derivative assets	1,378.83	782.94	-	2,161.77
Trade Receivables	-	-	396.70	396.70
Cash and cash equivalents	-	-	22,318.00	22,318.00
Bank balances other than above	-	-	20,964.80	20,964.80
Other financial assets	-	-	104.99	104.99
Total financial assets	**16,549.04**	**782.94**	**1,101,041.97**	**1,118,373.95**
Debt Securities	-	-	41,298.10	41,298.10
Borrowings (Other than debt securities)	-	-	886,193.76	886,193.76
Derivative liabilities	-	-	-	-
Trade payables	-	-	665.07	665.07
Other financial liabilities	-	-	23,751.21	23,751.21
Total financial liabilities	**-**	**-**	**951,908.14**	**951,908.14**

44. Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at March 31, 2021:

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets carried at FVOCI	2,562.85	-	-	2,562.85
Investments	-	-	13,086.34	13,086.34
Derivative instruments (net)	-	1,127.65	-	1,127.65

As at March 31, 2020

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets carried at FVOCI	-	-	-	-
Investments	-	-	15,170.21	15,170.21
Derivative instruments (net)	-	2,161.77	-	2,161.77

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2021 and March 31, 2020 :

Particulars	Investments	Unlisted equity securities*	Total
As at March 31, 2019	**9,586.99**	-	**9,586.99**
Acquisitions	7,990.00	-	7,990.00
Gains/(losses) recognized in profit or loss	(472.82)	-	(472.82)
Gains/(losses) recognized in other comprehensive income	-	-	-
Disposal/acquisition	(1,933.96)	-	(1,933.96)
As at March 31, 2020	**15,170.21**	-	**15,170.21**
Acquisitions	-	-	-
Gains/(losses) recognized in profit or loss	237.27	-	237.27
Gains/(losses) recognized in other comprehensive income	-	-	
Disposal/acquisition	(2,321.14)	-	(2,321.14)
As at March 31, 2021	**13,086.34**	-	**13,086.34**

There are no financial liabilities measured at fair value on recurring basis. There were no transfers between the 3 levels in the reporting periods.

* Net of provision.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the standalone financial statements approximate their fair values.

	As at March 31, 2021		As at March 31, 2020	
Particulars	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Financial Liabilities				
Commercial paper	29,474.58	29,474.58	-	-
Infrastructure Bonds	10,919.55	10,919.55	13,637.35	13,637.35
Debentures	23,214.67	23,512.33	27,660.75	28,126.48

	Fair value hierarchy As at March 31, 2021			
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Liabilities at amortised cost				
Commercial paper	-	-	29,474.58	29,474.58
Infrastructure Bonds	-	-	10,919.55	10,919.55
Debentures	-	-	23,512.33	23,512.33

	Fair value hierarchy As at March 31, 2020			
Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Infrastructure Bonds	-	-	13,637.35	13,637.35
Debentures	-	-	28,126.48	28,126.48

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:-

(All amounts in Lakhs of ₹ unless otherwise stated)

-Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments, as described below:

a) Security receipts are valued with reference to sale price observable in the market on the basis of external rating provided by credit rating agencies.

b) The Company's foreign currency and interest rate derivative contracts are not traded in active markets. Fair valuation of such instruments are provided by the dealer who are recognised banks and use widely acceptable techniques. The effects of non-observable inputs are not significant for foreign currency forward contracts.

The Company performs valuations in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

-Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

-Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

45 Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, Cash and bank balances, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Derivative contracts/hedging
Market risk - interest rate	Non-current borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security price	Investments in equity securities	Sensitivity analysis	Portfolio diversification, exposure limits

The Board has the overall responsibility of risk management which take care of managing overall risk in the organization. In accordance with the RBI guidelines to enable NBFCs to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, including Asset Liability Management.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Credit risk arises from loans financing, cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	**As at March 31, 2021**	As at March 31, 2020
Loans	996,110.63	1,036,860.12
Investments in Debentures	21,680.82	20,397.36
Trade receivables	376.86	396.70
Cash and cash equivalents	48,940.12	22,318.00
Other bank balances	36,519.90	20,964.80
Other financials asset	62.49	104.99

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

a) **Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system and external ratings.

From credit risk perspective, the Company's lending portfolio can be segregated into following broad categories:

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Trade receivables, Cash and cash equivalents, other bank balances, loans, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2021	As at March 31, 2020
Low credit risk		
Trade receivables	414.23	396.70
Cash and cash equivalents	48,940.12	22,318.00
Bank balances other than above	36,519.90	20,964.80
Loans	832,989.91	884,873.76
Investment in Debentures	21,824.01	20,514.91
Other financial assets	62.49	104.99
Moderate credit risk		
Loans	91,349.19	104,553.33
High credit risk		
Loans	134,638.02	95,325.03
Investments in Debentures	428.58	428.58

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering collateral's from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

b) Credit risk exposure

b) ii) Expected credit loss for loans

A.1 Credit risk measurement

The Company measures credit risk of its exposure using:

(a) Internal Rating: Internal ratings are based on board approved policy that guides credit analysis to place borrowers in watch list based on specific risk factors such as project progress schedule, promoter's contribution, PPA status etc.

(b) External rating: PFS also captures external rating of their borrowers done by RBI approved rating agencies like ICRA, CARE, CRISIL and India rating etc.

These two together helps the Company in better monitoring of its borrowers. The staging criteria for ECL computation is also driven by these two criteria. Staging of an account gets impacted by taking into consideration both internal rating and external rating.

A.2 Expected credit loss measurement

A.2.1 Significant increase in credit risk and credit impaired financial assets

The Company considers a financial instrument to have experienced a significant increase based on the staging criteria, which is aligned with ECL policy of the Company.

As per ECL policy, stage 2 contains all loan assets that are not defaulted as at reporting date, but have experienced a significant increase in credit risk since initial recognition (i.e. two notch downgrade in internal/ external risk rating or loan account with overdue of more than 30 days) or classified as high risk as per internal risk assessment.

A.2.2 Definition of default

The Company defines a financial instrument as in default, any borrower whose contractual payments are due for more than 90 days is termed as default, which is in line with RBI guidelines.

A.2.3 Explanation of inputs, assumptions and estimation techniques

Probability of default (PD) computation model

Probability of Default is the likelihood that the borrower will not be able to meets its obligations as and when it falls due.

Transition Matrix Approach was used for estimation of PD. ICRA's one-year transition matrix was used as the base probability of default matrix.

Stage 1: 12-month PDs were taken directly from one-year transition matrix and so, Point in Time (PIT) conversion was not done, as it is already giving PIT PDs.

Stage 2: PD for second year onwards was estimated using Matrix Multiplication Approach.

Stage 3: As the accounts classified into stage 3 are non-performing assets so probability of default was assumed to be 100%.

Loss given default (LGD) computation model

Loss Given Default is the percentage of total exposure which the borrower would not be able to recover in case of default.

Workout LGD approach has been used for LGD estimation.

LGD= (Economic loss + Cost of Recovery)/EAD

As at March 31, 2021, the Company has classified its few loans (financial assets) under stage III criteria, as enumerated in Ind AS 109, and the projects/ assets, underlying such loans, are either pending for resolution under Insolvency and Bankruptcy Code (IBC) or under litigation. For measuring expected credit loss allowance (ECL) for loans wherein underlying projects/ assets have been under IBC proceedings, wherever available, the fair value attributable to the secured portion of such loans has been measured based on external evidence i.e. valuation of such projects/ assets as shared by the Resolution Professional (RP), appointed by NCLT under resolution proceedings, with the consortium of creditors, including the Company. The actual outcome in these cases is dependent upon the final settlement by the RP in accordance with IBC framework. For other loans under stage III, the fair value attributable to the secured portion of such loans has been measured based on other evidences, including one time settlement offer from the customer, valuation exercise done either by the consortium of lenders or by the Company, settlement proposals under discussions between the borrowers and the consortium of lenders/ Company.

For loans under stage I and stage II, the management has determined the value of secured portion, on the basis of best information available with the Company, including value of assets/ projects in the available balance sheets of the borrowers, technical and cost certificates provided by the experts and valuation exercise performed by external professionals either appointed by the Company or consortium of lenders, including the Company.

The conclusive assessment of the impact in the subsequent period, related to expected credit loss allowance of loan assets, is dependent upon the circumstances as they evolve, including final settlement of resolution of projects/ assets of borrowers under IBC. Refer Note 53.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Basis of calculating loss rates

First step involved in ECL computation is staging of the assets into three categories. Staging of the financial assets depend on the deterioration of the credit quality of the assets over its lifetime. Performing assets fall under Stage I, Underperforming assets fall under Stage II and Impaired assets(non-performing) fall under Stage III.

The following points were considered for stage wise classification of credit exposures:

1. Stage III exposures were exposures where actual default events have occurred i.e. all credit exposures classified as Doubtful or Sub-Standard, or where significant deterioration in credit quality was envisaged.
2. Stage II exposure were exposures which were not considered impaired asset but were classified as 'Stressed Accounts' or were flagged as High-Risk Category.
3. All other accounts not meeting the first two criteria were classified as Stage 1 accounts.

Quantitative and qualitative factors considered along with quantification w.r.t loss rates

Impact of specific risk factors was taken into account while staging of accounts and computation of PD. External credit rating was also used for staging criteria. The industry of the borrower was also considered for classification of the borrower. If a borrower belonged to an industry under stress, then the borrower was classified as stage 2 or 3 account.

For computation of loss given default, haircuts on collateral, based on subjective parameters were used.

- Sector/Sub-sector
- Source of Power Generation
- PPA Status
- COD Status

A.2.4 Forward looking information incorporated in ECL models

The PDs were derived using the Relationship of historic default rates of the portfolio and respective macroeconomic variable (GDP growth rate). Worst, Base, Mild and Best scenarios were created for all the macroeconomic variable and default rates were estimated for all the four scenarios. The scenarios were arrived at by creating bins based on mean, minimum, maximum and standard deviation of the macro variable for the observed range of data. The differential default rates between the Base scenario and the Best, Worst and Mild scenarios were created/built to compute the shock factors.

These shock factors were then added to the base PD term structure, which was arrived using the Matrix multiplication technique, thereby creating four different PD term structures for the four Scenarios. These shocked PDs were used to compute lifetime ECL for stage 1 and stage 2 accounts.

A.3 Credit risk exposure and impairment loss allowance

Particulars	As at March 31, 2021		As at March 31, 2020	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage III)	134,638.02	57,310.15	95,325.03	40,822.57
Loan assets having significant increase in credit risk (Stage II)	91,349.19	2,316.60	104,553.33	2,378.90
Other loan assets (Stage I)*	832,989.91	3,239.74	884,873.76	4,690.53
Total	**1,058,977.12**	**62,866.49**	**1,084,752.12**	**47,892.00**

*Includes loans amounting to ₹ 38.42 lakhs (Previous year ₹ 34.48 lakhs) given to employees.

A.3.1 Collateral and other credit enhancements

Loans are secured by :

i. Hypothecation of assets and/or

ii. Mortgage of property and /or

iii. Trust and retention account and /or

iv. Bank guarantee, Company guarantee or personal guarantee and / or

v. Assignment of receivables or rights and / or

vi. Pledge of shares and / or

vii. Undertaking to create a security

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

A.4 Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL.

- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period.

- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models.

- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

	Stage 1	Stage 2	Stage 3	
Loss allowance	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at April 1, 2019	**4,755.07**	**1,793.27**	**66,475.76**	**73,024.10**
Transfer to 12 months ECL	-	-	-	-
Transfer to life time ECL not credit impaired	(1,189.78)	1,189.78	-	-
Transfer to Lifetime ECL credit impaired	-	(7,631.54)	7,631.54	-
Net remeasurement of loss allowance	1,125.24	7,027.39	10,657.19	18,809.82
Write offs	-	-	(43,941.92)	(43,941.92)
Balance as at March 31, 2020	**4,690.53**	**2,378.90**	**40,822.57**	**47,892.00**
Loans and advances to customers at amortised Cost				
Balance as at April 1, 2020	**4,690.53**	**2,378.90**	**40,822.57**	**47,892.00**
Transfer to 12 months ECL	0.60	(0.60)	-	-
Transfer to life time ECL not credit impaired	(394.51)	394.51	-	-
Transfer to Lifetime ECL credit impaired	-	(5,449.56)	5,449.56	-
Net remeasurement of loss allowance	(1,056.88)	4,993.35	19,184.75	23,121.22
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**

The following table further explains changes in the gross carrying amount of the Loan portfolio to help explain their significance to the changes in the loss allowance for the same portfolio as discussed above:

	Stage 1	Stage 2	Stage 3	
Gross Exposure	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2019	1,134,951.69	67,694.74	134,782.98	1,337,429.41
Transfer to/from 12 months ECL	-	-	-	-
Transfer to/from life time ECL not credit impaired	(55,832.85)	55,832.85	-	-
Transfer to/from Lifetime ECL credit impaired	-	(34,125.14)	34,125.14	-
New Financial assets originated or purchased	222,086.71	16,957.30	-	239,044.01
Financial Assets that have been derecognised	(416,366.27)	(1,806.42)	(29,641.17)	(447,813.86)
Write offs	-	-	(43,941.92)	(43,941.92)
Balance as at March 31, 2020	**884,839.28**	**104,553.33**	**95,325.03**	**1,084,717.64**

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

	Stage 1	Stage 2	Stage 3	
Gross Exposure	**12 months ECL**	**Lifetime ECL**	**Lifetime ECL**	**Total**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2020	**884,839.28**	**104,553.33**	**95,325.03**	**1,084,717.64**
Transfer to/from 12 months ECL	1,926.09	(1,926.09)	-	-
Transfer to/from life time ECL not credit impaired	(31,900.55)	31,900.55	-	-
Transfer to/from Lifetime ECL credit impaired	-	(51,122.18)	51,122.18	-
New Financial assets originated or purchased	152,248.21	10,266.92	-	162,515.13
Financial Assets that have been derecognised	(174,161.54)	(2,323.34)	(3,662.46)	(180,147.34)
Write offs	-	-	(8,146.73)	(8,146.73)
Balance as at March 31, 2021	**832,951.49**	**91,349.19**	**134,638.02**	**1,058,938.70**

A.5 Concentration of credit risk

The Company monitors concentration of credit risk by type of industry in which the borrower operates, further bifurcated into type of borrower, whether state or private.

Industry	**As at March 31, 2021**	As at March 31, 2020
Gross carrying amount of loans		
Concentration by industry		
Thermal	120,654.28	123,919.93
Renewable energy	455,472.51	554,786.68
Hydro	16,459.75	20,777.04
Distribution	169,121.46	159,554.62
Others*	297,269.12	225,713.85
	1,058,977.12	**1,084,752.12**

*Includes loans amounting to ₹ 38.42 lakhs (March 31, 2020 ₹ 34.38) given to employees.

A.6 Write off policy

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to other income on statement of profit and loss.

ii) Expected credit losses for financial assets other than loans and derivative financial instruments

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2021	**Estimated gross carrying amount at default**	**Expected probability of default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	48,940.12	0%	-	48,940.12
Other bank balance	36,519.90	0%	-	36,519.90
Investments	21,824.01	1%	143.19	21,680.82
Trade receivables	414.23	9%	37.37	376.86
Other financial assets	62.49	0%	-	62.49

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

As at March 31, 2020	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	22,318.00	0%	-	22,318.00
Other bank balance	20,964.80	0%	-	20,964.80
Investments	20,514.91	1%	117.55	20,397.36
Trade receivables	396.70	0%	-	396.70
Other financial assets	104.99	0%	-	104.99

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows(including interest income and interest expense). The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The tables below analyse the financial assets and liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Maturities of financial assets

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	376.86	-	-	-	376.86
Cash and Cash Equivalents	19,358.73				19,358.73
Fixed Deposit with banks (other than above)	66,101.29	-	-	-	66,101.29
Derivative assets	-	1,127.67	-		1,127.67
Loans	316,985.46	333,194.89	184,173.89	551,283.40	1,385,637.64
Other financial assets	-	-	62.49	-	62.49
Total	**402,822.34**	**334,322.56**	**184,236.38**	**551,283.40**	**1,472,664.68**

March 31, 2020	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	396.70	-	-	-	396.70
Cash and Cash Equivalents	16,031.56				16,031.56
Fixed Deposit with banks (other than above)	15,592.25	11,658.99	-	-	27,251.24
Derivative assets	-	474.14	904.68	782.95	2,161.77
Loans	163,564.87	357,574.50	266,659.40	931,842.41	1,719,641.18
Other financial assets	-	47.50	57.49	-	104.99
Total	**195,585.38**	**369,755.13**	**267,621.57**	**932,625.36**	**1,765,587.44**

Maturities of financial liabilities

March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	332,600.70	360,791.23	255,948.63	179,188.97	1,128,529.53
Lease liability	454.24	387.54	-	-	841.78
Derivative liabilities	-	0.02		-	0.02
Trade payables	505.96	-	-	-	505.96
Other financial liabilities	19,895.90	1,249.05	1,470.00	-	22,614.95
Total	**353,456.80**	**362,427.84**	**257,418.63**	**179,188.97**	**1,152,492.24**

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

March 31, 2020	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	285,340.20	381,581.62	299,531.34	278,597.72	1,245,050.88
Lease liability	492.25	918.86	-	-	1,411.11
Derivative liabilities	-	-	-	-	-
Trade payables	665.07	-	-	-	665.07
Other financial liabilities	14,173.54	4,888.67	-	4,689.00	23,751.21
Total	**300,671.06**	**387,389.15**	**299,531.34**	**283,286.72**	**1,270,878.27**

Note: To address the risk of mismatch between pay-out of liabilities and realisation of assets in next one year, the Company has adequate unused limits, including short term working capital limits, duly sanctioned by the banks.

C) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. The policy on foreign exchange risk management covers the management of foreign exchange risk related to existing and future foreign currency loans or any other foreign exchange risks derived from borrowing and lending. The objective of the policy is to serve as a guideline for transactions to be undertaken for hedging of foreign exchange related risks. It also provides guiding parameters within which the Asset Liability Management Committee can take decisions for managing the above mentioned risks. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company as per its overall strategy uses derivative contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings. The Company does not use derivative contracts for speculative purposes.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to INR at closing rate, is as follows

Particulars	As at March 31, 2021	As at March 31, 2020
Financial liabilities (USD)		
Foreign currency loan (INR)	22,342.90	31,700.51
Net exposure to foreign currency risk (liabilities)	**22,342.90**	**31,700.51**

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at March 31, 2021	As at March 31, 2020
USD sensitivity*		
INR/USD- increase by 459 bp (March 31, 2020: 531 bp)	1,025.54	1,683.30
INR/USD- decrease by 459 bp (March 31, 2020: 531 bp)	**(1,025.54)**	**(1,683.30)**

* Holding all other variables constant

b) Interest rate risk

i) Liabilities

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at March 31, 2021, the Company is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowing	823,810.92	875,778.43
Fixed rate borrowing	93,608.80	51,713.43
Total borrowings	**917,419.72**	**927,491.86**

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2021	As at March 31, 2020
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2020:100 bps)	(8,238.11)	(8,757.78)
Interest rates – decrease by 100 basis points (March 31, 2020:100 bps)	8,238.11	8,757.78

* Holding all other variables constant

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the loans:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate loans	899,616.60	964,253.55
Fixed rate loans*	159,360.52	120,498.57
Total loans	**1,058,977.12**	**1,084,752.12**

*Includes loans amounting to ₹ 38.42 lakhs (March 31, 2020 ₹ 34.38) given to employees.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2021	As at March 31, 2020
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2020:100 bps)	8,996.17	9,642.54
Interest rates – decrease by 100 basis points (March 31, 2020:100 bps)	(8,996.17)	(9,642.54)

* Holding all other variables constant

c) Price risk

Exposure

The Company's exposure to price risk arises from investments held and classified in the balance sheet at fair value through other comprehensive income. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

Price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the end of the reporting period.

If equity price have been 10% higher/ lower:

- Other comprehensive income for the year ended March 31, 2021 would increase / decrease by ₹ 256.29 (for the year ended March 31, 2020: ₹ Nil) as a result of the changes in fair value of equity investments measured at FVTOCI.

46 Ind AS 116 Leases

This note explains the impact of the adoption of Ind AS 116 Leases on company's financial statements and discloses the new accounting policies that have been applied from 1 April 2019.

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases, using the "Modified Retrospective Approach" for transition. Based on the same and as permitted under the specific transitional provisions in the standard the company has not restated the comparative figures. On transition, the adoption of new standard has resulted in the recognition of right-of-use asset, classified in a consistent manner to its property, plant and equipment and a corresponding lease liability being measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

(a) On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.24%.

(b) The following are amounts recognised in profit or loss:

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
Depreciation expense of right-of-use assets	419.25	420.42
Interest expense on lease liabilities	105.46	142.14
Expenses relating to short-term leases (included in cost of sales)	-	-
	524.71	**562.56**

(c) The following are amounts recognised in statement of cash flows:

Total cash outflow for leases	386.78	468.81

Please refer note 45(B) for maturity analysis of lease liability and maturity analysis of contractual undiscounted cash flows

47 **Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2021**

Asset classification as per RBI norms	**Asset classification as per Ind AS 109**	**Gross carrying amount as per Ind AS**	**Loss allowance (provisions) as required under Ind AS 109**	**Net carrying amount**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
Performing Assets						
Standard	Stage 1	832,951.49	3,239.73	829,711.76	3,331.80	(92.07)
	Stage 2	91,349.19	2,316.60	89,032.59	1,106.32	1,210.28
Subtotal		**924,300.68**	**5,556.33**	**918,744.35**	**4,438.12**	**1,118.21**
Non-Performing Assets (NPA)						
Substandard	Stage 3	51,122.18	5,449.56	45,672.62	10,147.22	(4,697.66)
Doubtful - upto 1 year	Stage 3	14,960.43	6,869.24	8,091.19	8,375.39	(1,506.15)
1 to 3 years	Stage 3	45,790.87	24,815.22	20,975.65	28,721.74	(3,906.52)
More than 3 years	Stage 3	22,764.54	20,176.14	2,588.40	22,670.72	(2,494.58)
Subtotal for doubtful (Refer Note)		83,515.84	51,860.60	31,655.24	59,767.85	(7,907.25)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-			
Subtotal		-	-	-	-	-
Total	**Stage 1**	**832,951.49**	**3,239.73**	**829,711.76**	**3,331.80**	**(92.07)**
	Stage 2	**91,349.19**	**2,316.60**	**89,032.59**	**1,106.32**	**1,210.28**
	Stage 3	**134,638.02**	**57,310.16**	**77,327.86**	**69,915.07**	**(12,604.91)**

Note: ₹ 12,696.98 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as “Impairment Reserve” in the Balance Sheet. Refer Note 21.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2020

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	884,839.28	4,690.53	880,148.75	3,539.36	1,151.17
	Stage 2	104,553.33	2,378.90	102,174.43	1,009.40	1,369.50
Subtotal		**989,392.61**	**7,069.43**	**982,323.18**	**4,548.76**	**2,520.67**
Non-Performing Assets (NPA)						
Substandard	Stage 3	14,952.72	2,393.22	12,559.50	1,500.00	893.22
Doubtful - upto 1 year	Stage 3	21,292.12	5,238.32	16,053.80	6,845.97	(1,607.65)
1 to 3 years	Stage 3	49,080.19	25,673.42	23,406.77	27,352.42	(1,679.00)
More than 3 years	Stage 3	10,000.00	7,517.61	2,482.39	9,999.61	(2,482.00)
Subtotal for doubtful (Refer Note)		**80,372.31**	**38,429.35**	**41,942.96**	**44,198.00**	**(5,768.65)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**95,325.03**	**40,822.57**	**54,502.46**	**45,698.00**	**(4,875.43)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3			-		-
Subtotal		-	-	-	-	-
Total	**Stage 1**	**884,839.28**	**4,690.53**	**880,148.75**	**3,539.36**	**1,151.17**
	Stage 2	**104,553.33**	**2,378.90**	**102,174.43**	**1,009.40**	**1,369.50**
	Stage 3	**95,325.03**	**40,822.57**	**54,502.46**	**45,698.00**	**(4,875.43)**

Note: ₹ 5,768.65 lakhs (being the excess of provision required as per IRACP norms and ECL Provision required under INDAS 109) has been recognised as "Impairment Reserve" in the Balance Sheet. Refer Note 21

48 **Earnings per share**

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
a) Basic earnings per share	0.40	1.71
b) Diluted earnings per share	0.40	1.71

c) Reconciliations of earnings used in calculating earnings per share

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
Earnings per share		
Profits attributable to the equity holders of the company used in calculating basic and diluted earnings per share	2,560.31	10,999.89

d) Weighted average number of shares used as the denominator

Particulars	**Year ended March 31, 2021**	Year ended March 31, 2020
	Number of shares	**Number of shares**
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	642,283,335	642,283,335

Note: There are no potential equity shares in the Company.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in Lakhs of ₹ unless otherwise stated)

49 Expenditure on Corporate Social Responsibility

Particulars			As at March 31, 2021	As at March 31, 2020
(a)	Gross amount required to be spent		232.62	642.03
(b)	Amount spent:			
	(i)	Construction/acquisition of any asset	-	-
	(ii)	On purpose other than (i) above	252.30	641.27

50 The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

51 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.

52 Impact of Covid-19

COVID-19, a global pandemic has affected the world economy including India leading to significant decline in economic activity and volatility in the financial markets. Government announced various relief packages to support all segment. In line with RBI circulars, company provided the support to borrowers during the year in form of moratorium. Company do not foresee any significant concern in case of borrowers where projects have been commissioned/ completed and have must run status. However, it would be difficult to assess the impact on borrower's ability to service the debt where projects are under construction considering construction activities halted due to lockdown restriction. However respective Govt. Authorities have issued the circulars for allowing extension in SCOD. The overall growth of PFS business during the financial year has been impacted due to various factors including lockdown situation in country as activities related to clearances, land acquisition for new/under construction projects specifically in renewable and road sectors.

The Company has maintained sufficient liquidity in form of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligation in near future (Refer Note 45 B).

As also mentioned in Note 45 A.2.3, in assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report, one time settlement (OTS) proposal, asset value as per latest available financials with appropriate haircut as per ECL policy). Further, management overlay, wherever appropriate and approved by the Audit Committee, has been applied to reflect the current estimate of future recoverable values. The Company expects to recover the net carrying value of these assets, basis assessment of facts and ECL methodology which factors in future economic conditions as well. However, the eventual outcome of impact of COVID -19 may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any material changes to the future economic conditions.

53 In accordance with the instructions in the RBI circular 'RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22' dated April 07, 2021, the Company shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest' would be finalised by the Indian Banks Association (IBA) in consultation with other industry participants / bodies and is awaited as on the date of approval of these results. The Company has however estimated the said amount and recognised a charge in its Profit and Loss Account for the year ended March 31, 2021.

54 (a) In the year 2014-15, based on an independent investigation into the affairs of R. S. India Wind Energy Private Limited (Associate), the Company had concluded that in earlier years, the Associate and its promoters had misrepresented various facts to it and induced it to make investments aggregating ₹ 6,112.14 lacs in the Associate. The 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 same. Pending outcome thereof, the Company has fully provided for the diminution in value of investment held in this Associate.

(b) Further, the financial statements for the year ended March 31, 2021 of RS India Wind Energy India Private Limited (RSIWEPL) and Varam Bio Energy Pvt Ltd, associates of the Company are not available for consolidation purposes. However, in view of the management, since the Company had made full provision for diminution for its investments held in these 2 Associates in the earlier years and there is no further obligation over and above the cost of the investments, there will be no impact thereof on these financial statements in terms of the requirements of Ind AS–28 "Investments in Associates and Joint Ventures".

55 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure

Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts in Lakhs of ₹ unless otherwise stated)

56 Schedule-III additional disclosure on Consolidated Financial Statements As on 31st March, 2021

As at and for the year ended March 31, 2021

Name of the entity in the group	Country of incorporation	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
1		2	3	4	5	6	7	8	9
Parent									
PTC India Financial Services Limited	India	100.00	211,950.43	100.00	2,560.31	100.00	(657.03)	100.00	1,903.28
Associates (Investments as per the equity method)									
Indian									
R.S. India Wind Energy Private Limited	India	-	-	-	-	-	-	-	-
Varam Bio Energy Private Limited	India	-	-	-	-	-	-	-	-
Total		**100.00**	**211,950.43**	**100.00**	**2,560.31**	**100.00**	**(657.03)**	**100.00**	**1,903.28**

As at and for the year ended March 31, 2020

Name of the entity in the group	Country of incorporation	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
1		2	3	4	5	6	7	8	9
Parent									
PTC India Financial Services Limited	India	100.00	211,482.06	100.00	10,999.89	100.00	(243.09)	100.00	10,756.80
Associates (Investments as per the equity method)									
Indian									
R.S. India Wind Energy Private Limited	India	-	-	-	-	-	-	-	-
Varam Bio Energy Private Limited	India	-	-	-	-	-	-	-	-
Total		**100.00**	**211,482.06**	**100.00**	**10,999.89**	**100.00**	**(243.09)**	**100.00**	**10,756.80**

In terms of our report attached
For **MSKA & Associates**
Chartered Accountants
ICAI firm registration. 105047W

Sd/-
Rahul Aggarwal
Partner
Membership No. 505676

Place : Gurugram
Date : June 09, 2021

For and on behalf of the Board of Directors

Sd/-
Dr. Pawan Singh
Managing Director and CEO
DIN: 00044987

Sd/-
Naveen Kumar
Whole-time Director
DIN: 00279627

Sd/-
Vishal Goyal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : June 09, 2021

NOTES

PTC India Financial Services Ltd.
(A Subsidiary of PTC India Ltd.)
CIN: L65999DL2006PLC153373

Registered Office:
7th Floor Telephone Exchange Building,
8 Bhikaji Cama Place, New Delhi 110066 INDIA

Tel: +91 11 26737300/ 26737400
Fax: +91 11 26737373/ 26737374
Website: www.ptcfinancial.com

Designed and Printed @ Thomson Press India