

PTC INDIA LIMITED

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STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Figures in ₹ Lakhs, unless otherwise indicated)

S. No.	Particulars	Quarter ended			Year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Audited (Refer Note No.11)	(Un-audited)	Audited (Refer Note No.11)	Audited	Audited
1	Revenue from operations					
a	Revenue from operations	3,27,669	2,80,899	2,57,277	14,52,357	15,13,903
b	Other operating revenue (Refer Note No. 3 & 4)	10,390	7,890	25,835	36,387	49,236
	Total revenue from operations (Refer Note No.5)	3,38,059	2,88,789	2,83,112	14,88,744	15,63,139
2	Other Income	1,104	599	222	2,213	623
3	Total Income (1+2)	3,39,163	2,89,388	2,83,334	14,90,957	15,63,762
4	Expenses					
a	Purchases	3,19,954	2,73,955	2,50,624	14,18,920	14,78,491
b	Operating expenses (Refer Note No. 3 & 4)	1,299	819	4,852	13,462	11,037
c	Employee benefit expenses	1,473	1,721	1,231	6,061	5,207
d	Finance costs	248	721	1,256	2,892	3,733
e	Depreciation and amortization expenses	111	91	107	386	374
f	Other expenses	1,866	1,562	4,187	6,092	7,782
	Total expenses	3,24,951	2,78,869	2,62,257	14,47,813	15,06,624
5	Profit before exceptional items and tax (3-4)	14,212	10,519	21,077	43,144	57,138
6	Exceptional items - income/(expense) (Refer Note No. 7)	5,000	-	-	5,000	-
7	Profit Before Tax (5+6)	19,212	10,519	21,077	48,144	57,138
8	Tax expenses					
a	Current tax	3,091	2,409	6,081	11,821	15,300
b	Deferred tax expenditure/ (income)	587	318	(593)	(651)	(643)
9	Net Profit for the period (7-8)	15,534	7,792	15,589	36,974	42,481
10	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	(i) Remeasurements of post- employment benefit obligations- income/(expense)	78	(79)	(26)	30	(39)
	-Income tax relating to remeasurements of post-employment benefit	(20)	20	7	(8)	10
	(ii) Changes in fair value of FVOCI equity instrument - income/(expense)	1,909	-	1,026	1,909	1,026
	Other comprehensive income / (expense), net of tax	1,967	(59)	1,007	1,931	997
11	Total comprehensive income for the period (9+10)	17,501	7,733	16,596	38,905	43,478
12	Paid-up equity share capital (Face value of ₹ 10 per share)	29,601	29,601	29,601	29,601	29,601
13	Other equity (excluding revaluation reserves) (As per audited balance sheet)				3,83,627	3,61,890
14	Earnings per share (Not annualized) (₹)					
a	Basic	5.25	2.63	5.27	12.49	14.35
b	Diluted	5.25	2.63	5.27	12.49	14.35
	Million Units of electricity Sold	16,390	15,530	17,329	70,610	87,515

See accompanying notes to the financial results

S. No.	Particulars	As at 31.03.2023	As at 31.03.2022
		Audited	Audited
I.	ASSETS		
1	Non-current assets		
	Property, plant and equipment	1,432	1,619
	Goodwill	3	-
	Right-of-use asset	409	444
	Other intangible assets	67	131
	Financial Assets		
	Investments in subsidiaries and associates	1,42,139	1,37,139
	Other investments	22,113	20,204
	Loans	38	48
	Deferred tax assets (net)	2,683	2,040
	Income tax assets (net)	5,137	693
	Other non-current assets	30	35
	Total non-current assets	1,74,051	1,62,353
2	Current assets		
	Financial Assets		
	Investments	419	20,424
	Trade receivables	5,39,785	6,73,922
	Cash and cash equivalents	91,538	86,859
	Bank balances other than cash and cash equivalents	26,375	2,936
	Loans	25	30
	Other financial assets	1,908	2,698
	Other current assets	10,212	7,213
	Total current assets	6,70,262	7,94,082
	Total Assets	8,44,313	9,56,435
II.	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	29,601	29,601
	Other equity	3,83,627	3,61,890
	Total equity	4,13,228	3,91,491
2	Non-current liabilities		
	Financial Liabilities		
	Lease liabilities	161	186
	Provisions	2,562	2,606
	Total non-current liabilities	2,723	2,792
3	Current liabilities		
	Financial Liabilities		
	Borrowings	20,000	1,22,960
	Lease liabilities	25	21
	Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	3,99,422	4,28,640
	Other financial liabilities	2,532	3,064
	Other current liabilities	6,330	7,428
	Provisions	53	39
	Total current liabilities	4,28,362	5,62,152
	Total Equity and Liabilities	8,44,313	9,56,435

Standalone Statement of Cash Flow for the Year Ended March 31, 2023

(Figures in ₹ Lakhs)

Particulars	Year ended	
	31.03.2023 (Audited)	31.03.2022 (Audited)
Cash flows from operative activities		
Net profit before tax	48,144	57,138
Adjustments for:		
Depreciation and amortization expense	386	374
Profit/ (loss) on sale of fixed assets (net)	(6)	2
Bad debts/ advances written off	67	838
Provision already held	-	(770)
Reversal of impairment provision on investment in a subsidiary company	(5,000)	-
Provision for litigation	-	1,750
Impairment allowance for doubtful debts / advances	807	1,281
Liabilities no longer required written back	(120)	(130)
Finance costs	2,892	3,733
Interest income	(681)	(52)
Rental income	(2)	(5)
Profit on sale of investment (net)	(942)	(194)
Operating profit before working capital changes	45,545	63,965
Adjustments for:		
(Increase)/ Decrease in trade receivables	1,33,263	(91,123)
(Increase)/ Decrease in loans and other financial assets	805	(1,359)
(Increase)/ Decrease in other current assets	(2,485)	3,540
Increase/ (Decrease) in trade payable	(29,100)	66,324
Increase/ (Decrease) in other current liabilities	(1,098)	(2,325)
Increase/ (Decrease) in other financial liabilities	(523)	557
Increase/ (Decrease) in provisions	-	59
Cash generated from/(used in) operating activities	1,46,407	39,638
Direct taxes paid (net)	(16,161)	(12,964)
Net cash generated from/(used in) operating activities (A)	1,30,246	26,674
Cash flow from investing activities		
Interest received	171	20
Rent received	2	5
Purchase of property, plant and equipment and intangible assets	(126)	(310)
Sale of property, plant and equipment	32	7
Advance received against investment	-	419
Sale/(Purchase) of other investments (net)	20,947	19,192
Decrease/ (Increase) in bank balances other than cash & cash equivalents	(23,448)	(2,700)
Capital advance received back	-	500
Net cash generated from/ (used in) investing activities (B)	(2,422)	17,133
Cash flows from financing activities		
Proceeds / (repayment) from/ of short term borrowings (Net)	(1,02,960)	27,344
Lease liabilities	(21)	(13)
Finance cost paid	(2,996)	(3,687)
Dividend paid (including dividend tax)	(17,168)	(22,201)
Net cash generated from/(used in) financing activities (C)	(1,23,145)	1,443
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	4,679	45,250
Cash and cash equivalents (opening balance)	86,859	41,609
Cash and cash equivalents (closing balance)	91,538	86,859

Notes:

- 1 The standalone financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 2 The above financial results were reviewed by the Audit Committee, with the management, in its meeting dated May 26, 2023 before submission to the Board for approval and the Board has approved the financial results in its meeting dated May 27, 2023. These financial results have been audited by the Statutory Auditors of the Company.
- 3 In accordance with the accounting policy, the surcharge recoverable on late/ non-payment of dues by customers is recognized when no significant uncertainty as to measurability or collectability exist. Correspondingly surcharge liabilities on late/ non-payments to the suppliers, in view of the matching concept, is not being recognized in the accounts. The estimated liability in this regard, however is lower than the company's claims from its customers.
- 4 The company has recognized surcharge income of ₹ 8526 Lakhs during the quarter (for the corresponding quarter ended March 31, 2022, ₹ 24710 Lakhs) from customers on amounts overdue on sale of power which has been included in "Other Operating Revenue". Correspondingly surcharge expense of ₹ 1023 Lakhs during the quarter (for the corresponding quarter ended March 31, 2022, ₹ 4606 Lakhs) paid / payable to suppliers has been included in "Operating expenses".
- 5 Total revenue from operation of the company includes sale of electricity and service (consultancy).
- 6 The company is in the business of power and all other activities revolve around it, as such there is no separate reportable segment in respect of standalone results.
- 7 Exceptional Item

The Company had created an impairment provision of ₹ 50 Crores during FY 2020-21 against the carrying value of its investment in M/s PTC Energy Limited (PEL), a wholly owned subsidiary of the Company. PEL has received favourable orders from Hon'ble High Court and Hon'ble Supreme Court regarding old Tariff issues with Andhra Pradesh Discom. Further, during the current year PEL has also realized long outstanding dues under the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified by Ministry of Power (MoP).

Taking into the consideration abovementioned positive developments, the Company has carried out impairment assessment of the investments in PEL as on 31st March 2023. Based on the impairment assessment, the Company has reversed the impairment provision of ₹ 50 crores.

- 8 The Board has recommended the dividend @ 78% (₹7.80 per equity share) on 29,60,08,321 fully paid-up equity share of ₹ 10 each.
- 9 a) On January 19, 2022, three Independent Directors of PTC India Financial Services Limited (PFS), a subsidiary of the Company, had resigned, mentioning lapses in corporate governance and compliance. To address the issues raised by independent directors who had resigned, on November 4, 2022, the forensic auditor appointed by PFS, submitted its forensic audit report (FAR). PFS engaged a reputed professional services firm to independently review its management's response submitted in FAR and documents supporting such response and commenting on such observations, including financial implications and any indication towards suspected fraud. PFS management's responses and remarks of professional services firm, together with report of its forensic auditor, had been presented by PFS management to the PFS Board in its meeting held on November 7, 2022 and November 13, 2022 and PFS Board observed that forensic auditor has not identified any event having material impact on the financials of PFS and has not identified any instance of fraud and/or diversion of funds by PFS. Presently communications /correspondences is going on with SEBI, Stock exchanges, RBI and ROC on the matters stated in resignation letters referred above and/or the Forensic audit report. Pursuant to the direction of RBI vide its letter dated January 6, 2023, Board of directors of PFS in its meeting held on February 3, 2023 has revisited the findings of the FAR and again took on record that the forensic auditor had not identified any event having material impact on the financials of PFS and also have not identified any instances of fraud and diversion of funds by PFS and/or by its employees. Registrar of Companies, Ministry of Corporate Affairs, NCT of Delhi & Haryana (ROC) has issued four show-cause notices (SCNs) dated February 14, 2023 and February 16, 2023 to PFS and its KMPs for non compliances of the provisions of section 149(8), 177(4)(v) & (vii) and 178 of the Companies Act, 2013 and PFS has submitted its replies on March 14 & 17, 2023 and April 24, 2023 denying the non-compliances mentioned in above SCNs and has prayed to the ROC for withdrawal of these SCNs which is pending. PFS management believes that there will be no material financial impact of these on the state of affairs of PFS.
- b) Two independent directors of PFS have resigned w.e.f. 2nd December 2022 mentioning various concerns which includes the matters raised by the earlier independent directors of PFS who have resigned on 19th January 2022, concerns related to conduct and outcome of forensic audit, divergent views of the directors and management on the outcome of forensic audit report, meetings called at short notice/ without adequate notice, violation of SEBI directive regarding change in Board composition, submission of proposal for grant of facilities to the Business Committee/ Board during the period after April 2022 which were not in compliance with the extant policy laid down by the Board and certain other matters as detailed in their resignation letters filed by PFS with the stock exchanges. PFS has rebutted these claims and submitted its reply with the stock exchanges and Reserve Bank of India and in this regard presently communications/correspondences is going on and PFS management believes that there will be no material financial impact of these on the state of affairs of PFS.
- c) In respect of PFS, the certain pending minutes of meetings of audit committee and IT strategy committee held since April 8, 2022 till November 14, 2022 have been finalized, basis recordings/videos of such meeting and in this regard a certificate from an external legal expert has been taken on record. Further, these minutes have been signed by the current chairman(s) of the respective committees of PFS. PFS believes that the relevant provisions of Companies Act, 2013 have been complied with and there will be no material impact on its state of affairs.
- d) Securities and Exchange Board of India (SEBI) has sent a Show Cause Notice (SCN) dated May 08, 2023 to Managing Director and Chief Executive Officer (MD & CEO) and Non-Executive Chairman of PFS, on matters of Corporate Governance Issues raised by Independent Directors who resigned on January 19, 2022 and December 2, 2022, as detailed in (a) & (b) above, under Sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) read with section 15HB of the SEBI, 1992 read with SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995. In this regard PFS Audit Committee and PFS Board of Directors have noted and taken on record that the above stated SCN which issued by SEBI to the MD & CEO and Non-Executive Chairman, is in their individual name/capacity (addressed to). Presently, as informed, MD & CEO and the Non-Executive Chairman both are in the process of preparing replies (also in process of compiling all required data / records / information/ details). PFS believes that the issues raised in SCN will be resolved on submission of detailed evidence/ information/ replies/ details by the MD & CEO and the Non-Executive Chairman and there will be no financial implications/ impact on this account on the state of affairs of PFS and the same has been noted and taken on record by PFS Audit Committee and PFS Board of Directors in their respective meetings held on May 18, 2023.

- 10 (i) The Company has received resignation letters from its three independent directors w.e.f. December 05, 2022 and one independent director w.e.f. December 06, 2022 wherein they have raised issues related to corporate governance and compliance, divergent views of Board members and non-implementation of recommendations in respect of RMC report of the Company, calling meetings at short notice and few other matters as detailed in their resignation letters filed by the Company with the stock exchanges. The Board of the Company has noted these resignation letters and the management's replies thereon in its meetings dated 6th December and 7th December 2022. Further, the Company has rebutted these claims and has submitted the clarifications on the issues raised by these independent directors to the stock exchanges on 8th December 2022. The Company has not received any further communication in this regard.
- (ii) Due to the resignation of four independent directors of the company, the composition of Board of the Company was not in accordance with the requirement of the Regulations in terms of minimum number of independent directors. The Company has appointed requisite number of independent directors by April 13, 2023, hence its Board Composition is now in compliance with Regulations.
- 11 Figures of last quarter are balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 12 The figures for the previous periods / year are re-classified / re-grouped / restated, wherever necessary.

Place: New Delhi
Date: May 27, 2023

(Dr. Rajib Kumar Mishra)
Chairman & Managing Director