



पावर ट्रेडिंग कारपोरेशन ऑफ इंडिया लिमिटेड
Power Trading Corporation of India Ltd.

A N N U A L R E P O R T 2 0 0 3 - 2 0 0 4



VISION

To be a Frontrunner in developing a power market and striving to correct market distortions

MISSION

Develop power market for optimal utilization of energy.

Promote power trading to optimally utilize the existing resources

Catalyze development of power projects particularly environment friendly Hydro projects

Promote exchange of power with neighbouring countries

VALUES

- Transparency
- The Customer is always right
- Encouraging Individual initiative
- Continuous Learning
- Teamwork

FIFTH ANNUAL GENERAL MEETING

DATE : 9th July, 2004

DAY : Friday

TIME : 09.30 A.M.

PLACE : Air Force Auditorium
Subroto Park,
New Delhi-110 010

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



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BOARD OF DIRECTORS

1. **Shri T.N. Thakur, Chairman & Managing Director, PTC**
2. Shri S.K. Dube, Director (Operations), PTC
3. Shri Gireesh B. Pradhan
4. Shri Ranjit Rae
5. Shri R.D. Gupta
6. Shri R. Krishnamoorthy
7. Shri J. Haque
8. Shri S.S. Jamwal
9. Shri FA Vandrevale
10. Shri V.K. Saxena
11. Shri G.P. Gupta
12. Shri D.P. Bagchi
13. Shri M.S. Verma
14. Shri P. Abraham

Company Secretary

Rajiv Maheshwari



NOTICE

NOTICE is hereby given that the fifth Annual General Meeting of the Members of Power Trading Corporation of India Ltd. (PTC) will be held on Friday, the 9th July 2004 at 09.30 a.m. at Air force Auditorium, Subroto Park, New Delhi-110010 to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the Directors' Report, Audited Profit & Loss Account for the year ended March 31, 2004 and Balance Sheet as on that date and Auditors' report.
2. To appoint a Director in place of Shri R.D. Gupta, who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri J. Haque, who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri S.S. Jamwal, who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Shri F.A. Vandrevalla, who retires by rotation and is eligible for reappointment.
6. Fixing of the remuneration for the Statutory Auditors for the Financial Year 2003-2004.

To consider and if thought fit, to pass with or without modification (s), the following resolution for the remuneration for the Statutory Auditors for the Financial Year 2003-2004 as Ordinary Resolution

"Resolved that M/s. D.C.G. & Company, Chartered Accountant who were appointed as Statutory Auditors of the Company for the Financial Year 2003- 2004 by the Comptroller and Auditor General of India (C&AG of India) be paid a remuneration of Rs. 35,000/- (Rs. thirty five thousand only) plus reimbursement of expenses incurred incidental thereto.

7. To consider and if thought fit, to pass with or without modification (s), the following resolution for Appointment and fixing of the remuneration for the Statutory Auditors for the Financial Year 2004-2005 as Special Resolution:

Resolved that pursuant to the provisions of the Companies Act, 1956, M/s T.R. Chadha & Co. Chartered Accountants, B-30, Connaught Place, Kuthaila Building, New Delhi be and are hereby appointed as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at such remuneration as may be decided by the Board of Directors of the Company. Further, Board of Directors of the Company are hereby authorized to take further necessary actions in this regard."

8. To consider and if thought fit, to pass with or without modification (s), the following resolution for dividend for

the Financial Year 2003-2004 as Special Resolution:

"Resolved that dividend @ 8% for the FY 2003-2004 on the equity shares of Rs. 10/- each fully paid-up be and is hereby declared and to be paid as per the ownership as on closing hours on 1st July, 2004."

SPECIAL BUSINESS

9. To appoint Shri R. Krishnamoorthy (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director being nominee of Power Finance Corporation Limited (PFC) and to move the following as ordinary Resolution:

"Resolved that Shri R. Krishnamoorthy be and is hereby appointed as a Director of the Company, liable to retire by rotation."

10. To appoint Shri Ranjit Rae (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and to move the following as ordinary Resolution:

"Resolved that Shri Ranjit Rae be and is hereby appointed as a Director of the Company, liable to retire by rotation."

11. To appoint Shri Gireesh B. Pradhan (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and to move the following as ordinary Resolution:

"Resolved that Shri Gireesh B. Pradhan be and is hereby appointed as a Director of the Company, liable to retire by rotation."

12. To appoint Shri M.S. Verma (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and to move the following as ordinary Resolution:

"Resolved that Shri M.S. Verma be and is hereby appointed as a Director of the Company, liable to retire by rotation."



13. To appoint Shri G.P. Gupta (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and to move the following as ordinary Resolution:

"Resolved that Shri G.P. Gupta be and is hereby appointed as a Director of the Company, liable to retire by rotation."

14. To appoint Shri D.P. Bagchi (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and to move the following as ordinary Resolution:

"Resolved that Shri D.P. Bagchi be and is hereby appointed as a Director of the Company, liable to retire by rotation."

15. To appoint Shri P. Abraham (who was appointed as an additional Director by the Board of Directors and he holds the office of Director only upto the date of this meeting) as Director, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and to move the following as ordinary Resolution:

"Resolved that Shri P. Abraham be and is hereby appointed as a Director of the Company, liable to retire by rotation."

16. To consider and if thought fit, to pass with or without modification (s), the following resolution for change of name of the Company as Special Resolution:

"Resolved that pursuant to the provisions of Sec.21 and other applicable provisions, if any, of the Companies Act, 1956 and further subject to such approvals as may be required, the name of the Company be and is hereby changed from 'Power Trading Corporation of India Ltd.' to 'PTC India Limited'.

Further resolved that the name 'Power Trading Corporation of India Ltd.' wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the new name 'PTC India Limited'.

Further resolved that Board of Directors of the Company are hereby authorized to take all other necessary actions in this regard"

17. To consider and if thought fit, to pass with or without modification (s), the following resolution for amendment to the Articles of Association of the Company as Special Resolution:

"Resolved that pursuant to section 31 and other applicable provisions, if any, of the companies Act, 1956 and subject to

such approvals as may be necessary from appropriate authorities and subject to such conditions/ modifications, if any, as may be prescribed by the appropriate authorities in granting such approvals, which may be agreed to by the Board of Directors, the Articles of Association of the Company be and are hereby altered as follows:-

- A- 'Article 13 (a) of the Articles of Association of the Company be substituted by the following new Article 13 (a.):

"13 (a) - further issue of capital

If at any time the Company wishes to raise its subscribed share capital it shall first offer such shares in accordance with the provisions of Section 81 of the Act.

Provided, however, that subject to the limitations set forth in clause 10 above, Parties shall subscribe to the shares offered by the Company in agreed Proportion upto the authorised capital of Rs. 750 crore. If any Party fails to subscribe to these shares offered to it for subscription then after issue of advance notice to the such Party and expiry of the notice period such offered shares, which are unpaid shall be allotted to the other Party(s) ready and willing to subscribe in proportion to their respective shareholdings of the Company. It will be optional for the Partie(s) to subscribe to additional shares offered by the Company beyond the agreed proportion."

- B- 'Article 20 (a) of the Articles of Association of the Company be substituted by the following new Article 20 (a).

"20(a) - Renewal of share Certificate

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or destroyed or where the cages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company and on payment of Rupee one per certificate. The Company shall, however, allow for sub division / consolidation of share certificates free of cost as and when required by the shareholders."

- C- 'Article 28 of the Articles of Association of the Company be substituted by the following new Article 28.

"28 - Directors may make calls

The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by resolution by circulation) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him



to the person or persons and at the times and places appointed by the board. A call may be made payable by instalments. However, the option to make such calls shall be exercised with the sanction of the Company in the General Meeting."

D - 'Article 55 of the Articles of Association of the Company be substituted by the following new Article 55.

"55- Instrument of transfer to be completed and presented to the company

The Instrument of Transfer duly stamped and executed by the transferor and the transferee shall be delivered to the the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by the Share Certificate or such evidences the Board may require to prove the title of transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. Any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same. However, the registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever."

E- 'Article 135 (iii) of the Articles of Association of the Company be substituted by the following new Article 135 (iii).

"Any proposal to merge the Company with another economic organization."

F- 'Article 136 (iv) of the Articles of Association of the Company be and is hereby added.

"To form a joint venture Company or partnership between the Company and any organization."

By Order of the Board of Directors,

(Rajiv Maheshwari)
Company Secretary

Date: 8th June, 2004

Place: New Delhi

Notes

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. A proxy form is enclosed. The instrument appointing a proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. Explanatory Statement pursuant to Section 173 of the

Companies Act, 1956 in respect of Special Business set out in the notice is enclosed.

3. All documents referred to in the notice or in the accompanying explanatory statement are open for inspection at the registered office of the Company between 11:00 a.m and 1:00 p.m. on all working days upto the date of Annual General Meeting.
4. The register of members and the share transfer books of the Company will be closed from 2nd July 2004 to 9th July 2004 both days inclusive. The dividend in respect of equity shares held in the electronic form will be paid on the basis of beneficial ownership existed as on closing hours on 1st July, 2004 and as per details available from NSDL and CDSL.
5. Members/ proxies should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holder who is highest in the order of names will be entitled to vote.
7. Shareholders holding the shares in physical form and desirous of making nominations are requested to send their requests in form no. 2B in duplicate (which will be made available on request) to the Investor Service Centre of the Company.
8. The details pertaining to the appointment / reappointment of Directors are furnished in statement of Corporate Governance in the Director's Report/ in the Explanatory Statement in the notice.
9. In respect of holding in electronic form, members are requested to notify any change of address and change in bank details to their Depositories Participants.
10. The communication address of our Registrar and Share Transfer Agent (RTA) is MCS Limited, Sri Venkatesh Bhavan, W-40, Okhla Industrial Area, Phase-II, New Delhi-110020.

To: All Shareholders and Auditors

Annexure to the Notice

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

ITEM NO. 9, 10, 11,12,13,14 AND 15

Item no. 9, 10, 11,12,13,14 and 15 of the Notice seek to obtain the Members approval in respect of appointment of Shri R. Krishnamoorthy, Shri Ranjit Rae, Shri Gireesh B. Pradhan, Shri M.S. Verma, Shri G.P. Gupta, Shri D.P. Bagchi and Shri P. Abraham.

Shri R. Krishnamoorthy

Shri R. Krishnamoorthy is Director (Fin.) of the Power Finance Corporation Ltd. (PFC). He is a fellow member of Institute of Cost and Work Accountants of India (ICWA). He has rich



experience of Finance as also in the Indian Power Sector.

Shri Ranjit Rae

Shri Ranjit Rae is Joint Secretary in the Ministry of External Affairs, Government of India. He is a member of the Indian Foreign Service since 1980. He does not have any Directorship in any other company.

Shri Gireesh B. Pradhan

Shri Gireesh B. Pradhan is Joint Secretary in the Ministry of Power, Government of India. He has earlier worked as Secretary to the Hon'ble Speaker of Lok Sabha and Joint Secretary to the President of India. He is a Director on the Board of the Powergrid Corporation of India Ltd and holds the position of Member of Audit Committee in the same company.

Shri M.S. Verma

Shri M.S. Verma has worked as the Chairman of State Bank of India and the Chairman of Telecom Regulatory Authority of India (TRAI). He has rich experience in banking and other sectors of the Indian Economy. He is Director in International Asset Reconstruction Co. Pvt. Ltd., Uttaranchal Jal Vidyut Nigam Ltd., Alliance Capital Asset Management India Pvt. Ltd., Contemporary Health Pvt. Ltd., Srei International Finance Ltd., Electro Steel Castings Ltd and IDBI Bank Ltd. Further, he is Chairman/ Member of the Committee (s) in International Assets Reconstruction Co. Pvt. Ltd., Uttaranchal Jal Vidyut Nigam Ltd., Alliance Capital Asset Management India Pvt. Ltd., Contemporary Health Pvt. Ltd., Srei International Finance Ltd. and Electro Steel Castings Ltd.

Shri G.P. Gupta

Shri G.P. Gupta has worked as the Chairman of Industrial Development Bank of India (IDBI). He has rich experience in banking, Finance and other sectors of the Indian Economy. He is Director in Jammu & Kashmir Bank Ltd., BHEL, National Aluminium Company, M.P. Power Generation Company; Swaraj Engineers Ltd., and Birla Sun life Insurance Company Ltd. He is Chairman/ Member of Committees in National Aluminum Company, J&K Bank, BHEL, Swaraj Engineers Ltd. and HAL.

Shri D.P. Bagchi

Shri D.P. Bagchi has worked as Chief Secretary to the Government of Orissa. He has rich experience and has worked in various areas in the government. He is Chairman of Dispute Resolution Committee of MMTC.

Shri P. Abraham

Shri P. Abraham has worked as Secretary in the Ministry of Power, Government of India. He has rich experience in the field of administration and the Power Sector and was earlier chairman MSEB. He is Director in Future Polyesters Limited, Flex Industries Limited and Jindal Power Company.

The Company has received notices in writing from the shareholder(s) proposing the above names for Directorship in

PTC. Taking into consideration the vast knowledge, ability, background and experience of the above persons, it would be appropriate and in the best interest of the Company to appoint above persons as Directors of the Company.

Each of the present Directors whose appointment is proposed is concerned or interested only in his own appointment. The Directors recommend the resolution for approval of the shareholders.

ITEM NO. 16-CHANGE OF THE NAME OF THE COMPANY

Power Trading Corporation of India (PTC) was incorporated to initiate the concept of trading in electricity. Over the years since inception it has come to be recognized widely by its abbreviated name of PTC. As public has progressively gained more familiarity with the abbreviated name leading to recognition of PTC as a brand, it is proposed to adopt PTC India Limited as the new name for the Company. In addition, with the future growth and diversification plan of the company the current name may create an impression of narrow business domain.

The Directors recommend the resolution for approval of the shareholders.

No Director is deemed to be concerned or interested in this item.

ITEM NO. 17 - AMENDMENT IN THE ARTICLES OF ASSOCIATION OF THE COMPANY

PTC has gone for an IPO. Accordingly, an application was made to The Stock Exchange, Mumbai (BSE) and National Stock Exchange of India (NSE). However, NSE desired an undertaking from PTC that PTC shall amend some Articles in the Article of Association of PTC for getting them in conformity with the listing requirements of stock exchange. The proposal is to amend in the Article no.s 13 (a), 20 (a), 28, and 55 of the Articles of Association in pursuance of the above undertaking.

Further, with regard to the Article 135 (iii), it is very restrictive for progressive working of the Company and accordingly, it is proposed that this restriction may be limited to only 'any proposal to merge the Company with another economic organization' and provision relating to formation of joint venture / partnership may be brought under the sub clause (iv) of the Article 136 of the Articles of Association of the Company i.e., this proposal will require a special resolution in general meeting.

The Directors recommend the resolution for approval of the shareholders.

No Director is deemed to be concerned or interested in this item.

By Order of the Board of Directors,

(Rajiv Maheshwari)
Company Secretary

Date: 8th June, 2004
Place: New Delhi