



PTC INDIA FINANCIAL SERVICES LIMITED

6TH ANNUAL REPORT 2011 - 2012

Vision

“Be the most preferred financial services partner in the entire energy value chain”

Mission

“To partner and forge strong relationships with credible stakeholders to provide complete financial services for all links in the energy value chain”

6TH ANNUAL GENERAL MEETING

To be held on Friday, 21.09.2012 at 11:30 A.M. at FICCI Auditorium, 1 Foundation House, Tansen Marg, New Delhi - 110001

NOTE:

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

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Reference Information

Registered Office	:	PTC India Financial Services Limited, 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi- 110066
Company Secretary	:	Mr. Vishal Goyal
Statutory Auditors	:	Deloitte Haskins and Sells
Internal Auditors	:	Raj Har Gopal & Co.
Shares are listed on	:	NSE & BSE
Depository	:	NSDL & CDSL
Registrar and Transfer Agent		
• Equity & Infra Bonds	:	Karvy Computershare Private Limited
• NCDs	:	MCS Limited
Bankers	:	Yes Bank Punjab National Bank Corporation Bank Union Bank of India Indian Bank HDFC Bank Oriental Bank of Commerce
Trustee for NCD / Bonds	:	IDBI Trusteeship Services Limited
Website	:	www.ptcfinancial.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of PTC India Financial Services Ltd will be held on 21st day of September, 2012 at 11:30 A.M. at FICCI Auditorium, 1 Foundation House, Tansen Marg, New Delhi – 110001, to transact the following business: -

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2012, Profit and Loss Account (including all the documents attached to it) for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
2. To re-appoint Dr. Uddesh Kohli who retires by rotation and is eligible for re-appointment.
3. To re-appoint Mr. Ramarao Muralidharan Coimbatore who retires by rotation and is eligible for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution for appointment of Statutory Auditors for the financial year 2012-13 as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956, M/s Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration no. 015125N), be and is hereby re-appointed as the Statutory Auditors of the Company for the financial year 2012-13, to hold the office from conclusion of 6th Annual General Meeting of the Company until the conclusion of 7th Annual General Meeting of the Company on the terms and conditions as decided by the Board or any Committee hereof from time to time.”

“FURTHER RESOLVED THAT Company Secretary or any other officer of the company be and is hereby authorised to inform M/s Deloitte Haskins & Sells, Chartered Accountants about their re-appointment as Statutory Auditors of the Company for the financial year 2012-13.”

SPECIAL BUSINESS:

5. To appoint Mr. Ved Kumar Jain as Director, who was appointed as Additional Director pursuant to provision of Section 260 of Companies Act, 1956, and holds the office upto ensuing AGM.

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

“RESOLVED THAT pursuant to Section 257 of the Companies Act, 1956, Mr. Ved Kumar Jain, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

“FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is hereby authorised to do all such acts as may be required including filing of necessary intimation with Registrar of the Companies or any other Government Authorities for above purpose.”

6. To appoint Dr. Pawan Singh as Whole Time Director in accordance with Section 269 and Schedule XIII of the Companies Act, 1956.

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

“RESOLVED THAT Dr. Pawan Singh be and is hereby appointed as Whole-Time Director to be designated as ‘Director (Finance & CFO)’ of the Company for a period of five years from 1st February, 2012 and his appointment made shall be in accordance with Section 269 and Schedule XIII of Companies Act, 1956 and his powers, responsibilities and terms of appointment including his remuneration as Whole-Time Director shall be decided by the Board or a Committee duly constituted by the Board from time to time. Further, the Board of Directors are hereby authorized to take necessary actions in this regard.”

“FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is hereby authorised to do all such acts as may be required including filing of necessary intimation with Registrar of the Companies or any other Government Authorities for above purpose.”

7. Increase in borrowing power of Board of Directors of the Company.

To consider and, if thought fit, to pass with or without modification, the following Resolutions as an Ordinary Resolution.

“RESOLVED THAT the consent of the shareholders be and is hereby accorded in terms of provisions of the Section 293(1)(d) and other provisions of the Companies Act, 1956, to authorise the Board of Directors or any Committee of the Directors to borrow moneys in excess of aggregate of the paid up capital and free reserves provided that the total borrowing shall not exceed Rs. 50000 million”

“FURTHER RESOLVED THAT the consent of the shareholders be and is hereby accorded in term of Section 293(1)(a) and other provisions of the Companies Act, 1956, to authorise Board of Directors or any Committee of Directors to mortgage or create charge on any or all of the movable, immovable and other assets of the Company whatsoever present or future, to take loan, line of credit, cash credit limit, issue of debentures, bonds, commercial papers, banks guarantee or any other fund based or non fund based borrowing from the banks, financial institutions and any other lenders including external commercial borrowing as may deem fit and proper in the best interest of the Company by the Board of Directors and any Committee of Directors which shall not exceed Rs. 50000 Million.”

“FURTHER RESOLVED THAT the Board of Directors or any Committee of Directors be and is hereby authorised to take all necessary actions as may be required in this regard from time to time.”

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

Sd/-
(Vishal Goyal)
Company Secretary

Place: New Delhi
Date: 30th July, 2012

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (The ‘MEETING’) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE 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. PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business set out in the notice is enclosed.
4. As required by Clause 49 of the Listing Agreement, relevant details of Dr. Uddesh Kohli & Mr. Ramarao Muralidharan Coimbatore, Director(s) retiring by rotation and seeking re-appointment under item no. 2 & 3 aforesaid in accordance with provisions of the Companies Act, 1956 is annexed as annexure-A.

5. None of the Directors of the Company is in anyways related to each other.
6. The register of Members and Share Transfer Books of the Company will remain closed from 8th September, 2012 to 21st September, 2012 (both days inclusive).
7. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter and /or change in address and bank account, to Company's Registrar.
8. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or Registrar & Transfer Agent alongwith relevant share certificates.
9. Members desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 109A of the Companies Act, 1956, are requested to write to Karvy Computershare Private Ltd, Registrar & Transfer Agent of the Company in the prescribed form. In case held in dematerialised form, the nomination has to be lodged with the respective Depository Participant.
10. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrar & Transfer Agent and to their respective Depository Participants, in case of shares held in electronic mode.
11. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Company Secretary of 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.
12. All documents referred to in the accompanying notice and statutory registers are open for inspection at the registered office of the company on all working days (barring Saturday and Sunday) between 11 A.M. to 1 P.M. prior to the date of Annual General Meeting.
13. The Annual Report is also available at the Company's website www.ptcfinancial.com.
14. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. The Company is not providing Video conferencing facility for this Meeting.
17. As per the circular no. 18/2011 on Green Initiative, the Company will send Annual Report along with other documents through e-mail to all members, who have registered their e-mail address with depository and physical hard copies will be despatched to others. In case any member desires to get hardcopy of annual report, they can write to the Company at registered office address or e-mail at complianceofficer@ptcfinancial.com.

Important Communication to Members

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

Annexure to the Notice

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

Item no. 5

Born on 15.12.1953, Shri Ved Kumar Jain is a rank holder in both CA Inter and CA Final examination. A Triple Bachelors Degree Holder, he completed his Bachelor of Science from Punjab University in 1973. After completing his Chartered Accountancy in 1976, he did his Bachelors of Arts in Economics in 1979. He also completed his Bachelors of Law in 1980. He was elected to the Central Council of The Institute of Chartered Accountants of India (ICAI) in 2004 and thereafter in 2007 and became President of ICAI in 2008. Recognizing his professional achievements he was taken on the Board of International Federation of Accountants (IFAC), a global organization for the accountancy profession comprised of 167 members and associates in 127 countries. He has more than three decades of experience in finance and taxation. A prolific writer, having command in Hindi, English, French, Urdu and Punjabi, has authored many books on Direct Taxes. He is also holding directorship in many other Companies viz. National Aluminium Company Limited, Maytas Properties Ltd, PTC India Ltd, IL&FS Engineering and Construction Company Ltd., VJ Corporate Advisors(P) Ltd. and ICAI Accounting Research.

He was inducted as an Independent Director on PTC India Financial Services Limited Board w.e.f. 24th October, 2011.

No other Director is interested in appointment of Mr. Ved Kumar Jain excepting him. The Board recommends the resolution for approval of the shareholders.

Other Directorships are:-

1. Maytas Properties Ltd.
2. IL&FS Engineering and Construction Company Ltd.
3. VJ Corporate Advisors Pvt. Ltd.
4. PTC India Ltd.
5. National Aluminium Company Ltd.
6. ICAI Accounting Research Foundation.

Chairmanships/Memberships in committees (Audit Committee and Shareholders'/Investors' Grievance Committee) in other companies:

1. Audit Committee of IL&FS Engineering and Construction Company Ltd. (Chairman)
2. Audit Committee of Maytas Properties Ltd. (Chairman)
3. Audit Committee of National Aluminium Company Ltd. (Chairman)
4. Audit Committee of PTC India Ltd. (Member)
5. Shareholders' Grievance Committee of IL&FS Engineering and Construction Company Ltd. (Member)
6. Shareholders' Grievance Committee of PTC India Ltd. (Member)

He is not holding any share in the Company.

Item no. 6

Dr. Pawan Singh, aged 50 years, is the Director (Finance & CFO) of Company and has more than approximately 29 years of experience in

financing including infrastructure finance. In this time, he has handled several financing proposals, both from the perspective of borrowers and lenders. Dr. Singh has also been closely involved with the first public-private-partnership project in the power sector and power sector reforms in Delhi. He is currently a visiting faculty member in the area of corporate financing, infrastructure financing and project financing at several management institutes in India. Dr. Singh was a member of the IRAS and has a Ph.D in Financial Management and MBA. He has also served as Director (Finance) at Delhi Power Company Limited, Delhi Transco Limited, Indraprastha Power Generation Company Limited and Pragati Power Company Limited. Earlier he worked in Powergrid Corporation Ltd. as General Manager (Finance). He has also worked in Bharat Petroleum & Tata Steel.

The Board in its meeting held on 7th December, 2011, appointed Dr. Pawan Singh as Director (Finance & CFO) of the Company.

No other Director is interested in appointment of Dr. Pawan Singh excepting him. The Board recommends the resolution for approval of the shareholders.

Other Directorships are:-

1. IIFCL Asset Management Company Limited

He is not holding any share in the Company

Item no. 7

The Company is in the business of providing the financial assistance to companies in the power sector and related areas across the entire energy value chain. The Company has sanctioned approximately Rs. 69200 million financial assistance upto 31st March, 2012 and Company is in process to approach various banks/financial institutions/investors back-to-back to tie up the funds.

The shareholders have already approved a limit of Rs. 15000 million in the 4th AGM held on 24th September, 2010. Since then the operations of the Company have increased multifold and considering the future growth fund requirement of the Company, it is proposed to enhance the borrowing limit of the company from present Rs. 15000 million to Rs. 50000 million.

It is further proposed to authorise the Board of Directors and any Committee of the Directors to borrow monies upto Rs. 50000 million in a manner as may be decided by Board of Directors or any Committee thereof.

None of the Directors of the Company are interested in this resolution. The Board recommends for approval of the shareholders.

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

Sd/-
(Vishal Goyal)
Company Secretary

Place: New Delhi
Date: 30th July, 2012

Details of Directors appointing or re-appointing in this Annual General Meeting.

Dr. Uddesh Kohli

Dr. Kohli is an Engineer from the Indian Institute of Technology, Roorkee and holds a Post-Graduate Diploma in Industrial Administration from the Manchester University, UK. He obtained his Ph.D. in Economics from Delhi School of Economics. Dr. Kohli was also the Chairman and Managing Director of Power Finance Corporation Limited and has worked with the Planning Commission, Government of India, reaching the position of Advisor (Additional Secretary level). He has carried out international assignments for Asian Development Bank, United Nations Industrial Development Organization, United Nations Development Programme and United Nations Office for Project Services. Dr. Kohli's areas of expertise include development planning, finance, project formulation, appraisal, sustainability and monitoring, power/energy planning, Corporate Social Responsibility training and human resource development.

Other Directorships are: -

1. ALSTOM India Ltd.
2. ICRA Ltd.
3. Lanco Infratech Ltd.
4. National Energy Trading and Services Ltd.
5. R.K. Wind Ltd.

Chairmanships/Memberships in committees (Audit Committee and Shareholders'/Investors' Grievance Committee) in other companies:

1. Audit Committee of ALSTOM India Ltd. (Member)
2. Audit Committee of Lanco Infratech Ltd. (Member)
3. Audit Committee of ICRA Limited (Member)
4. Transfer and Shareholders'/Investors' Grievance Committee of ALSTOM India Ltd. (Member)
5. Transfer and Shareholders'/Investors' Grievance Committee of ICRA Ltd. (Chairman)
6. Audit Committee of National Energy Trading and Services Ltd. (Chairman)
7. Audit Committee of R.K. Wind Limited (Chairman)

He is holding 3500 shares in the Company.

Mr. Ramarao Muralidharan Coimbatore

In his earlier capacity, Mr. Muralidharan was Whole-Time Member of IRDA and was looking after the compliance by the insurers of the regulations on investments, analysis of financial statements of insurance companies, on and off-site supervision of insurance companies as well as other regulatory issues including the registration of new insurance companies. Prior to joining IRDA, he worked in RBI for more than three decades in various capacities. He was heading the Department of Banking Operations and Development (DBOD) of RBI, which is responsible for laying down a regulatory framework on a wide range of operations for Indian commercial banks to promote a sound and competitive banking system consistent with the emerging international best practices. He assisted IMF in two overseas assignments and was associated with several High Level Working Groups on Banking Regulation.

Other Directorships are:

1. City Union Bank Ltd.
2. ICICI Prudential Asset Management Company Ltd.

Chairmanship/Membership in committee (Audit Committee and Shareholders'/Investors' Grievance Committee) in other companies :

1. Audit Committee of City Union Bank Ltd. (Member)

He is not holding any share in the Company.

The Board of Directors of PFS comprises of:



Mr. Tantra Narayan Thakur
Chairman & Managing Director



Dr. Ashok Haldia
Whole Time Director



Dr. Pawan Singh
Whole-Time Director &
Chief Financial Officer



Mrs. Rama Murali
Director



Dr. Uddesh Kohli
Director



Mr. Surinder Singh Kohli
Director



Mr. Ramarao Muralidharan Coimbatore
Director



Mr. Ved Kumar Jain
Director



Mr. Mukesh Kumar Goel
Director

Brief Profile of Directors of PTC India Financial Services Limited

• Mr. T. N. Thakur, Chairman & Managing Director

Since the inception of PFS, Shri Tantra Narayan Thakur, initiator of the concept of power trading in India, has been its Chairman & Managing Director. He is also the Chairman & Managing Director of PTC India Limited.

Possessing an experience of over three decades as a member of the Indian Audit & Accounts Service, Mr. Thakur holds expertise in Treasury Management, Financial Management (including Resource Mobilization, Investment decisions and Appraisal of Projects for Project lending), Accounts, Cash Management, Budgeting and Budgetary Control, Human Resource Management. It is due to his wide knowledge and experience that the company has managed to create a position for itself even in such a short duration.

Mr. Thakur has also served as a Director (Finance & Financial Operations), Power Finance Corporation Ltd. (a Development Financial Institution for the power sector in India), New Delhi where he was responsible for mobilizing resources for the company for on-lending to power projects in the public sector (both state and central) as well as in the private sector including captive power plants.

• Dr. Ashok Haldia

A member of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India and the Institute of Cost and Works Accountants of India. Dr. Ashok Haldia has diversified experience of project financing and industrial financing policy, public sector policy reforms, evaluation and management, power sector reform, restructuring and financing.

Before joining on the Board of PFS, Dr. Haldia was Secretary, the Institute of Chartered Accountants of India, New Delhi. He has been associated with formulation of accounting & auditing standards, corporate laws and governance, Islamic finance, WTO-GATS, reforms in government accounting and related aspects of public finance. He had been a member of a number of committees set up by the Government of Rajasthan, the Government of India, ICAI and other national & international bodies. In past, he has also worked with Power Finance Corporation Ltd. and Government of Rajasthan.

He was Technical Advisor on Board of International Federations of Accountants, Confederation of Asian Pacific Accountants and Secretary General of South Asian Federation of Accountants. He has contributed a number of articles in national/international conferences, professional journals and news papers. He had also been a faculty member in number of management-training institutions.

• Dr. Pawan Singh

Dr. Singh is the Director (Finance & CFO) of the Company and has more than 29 years of experience in financing including infrastructure finance. During the period, he has handled several financing proposals, both from the perspective of borrowers and lenders. Dr. Singh has also been closely involved with the first public-private-partnership project in the power sector. He has won several awards for his contribution to infrastructure sector. He was involved with the successful implementation of power sector reforms in Delhi.

He is currently a visiting faculty member in the area of corporate financing, infrastructure financing and project financing at several management institutes in India and has presented papers at various conferences in India and abroad. Dr. Singh was a member of the IRAS, he is an M.B.A. and has a Ph.D. in Financial Management. He has served

as Director (Finance) at Delhi Power Company Limited, Delhi Transco Limited, Indraprastha Power Generation Company Limited and Pragati Power Company Limited. Earlier he also worked in Powergrid Corporation Ltd. as General Manager (Finance), Tata Steel and Bharat Petroleum. He is in the Board of Directors of IIFCL Assets Management Company.

• Mrs. Rama Murali

Mrs. Murali has more than 36 years of experience. She joined IA&AS in July 1973 and retired from service in May 2008. She has worked as Joint Secretary, Ministry of Finance in Department of Economic Affairs dealing with external aid, privatization of public sector enterprises and administration and policy relating to industrial units engaged in production of currency and coinage. She also worked as Joint Secretary, Govt. of India and Financial Advisor in the Dept of Scientific and Industrial Research, Financial Advisor to the Council of Scientific & Industrial Research, Govt. of India where she was in charge of finance and accounts of the Council. She was also the Financial Advisor to the New Delhi Municipal Corporation with overall in charge of finance and accounts. She is also the life member of Indian Institute of Public Auditors.

• Dr. Uddesh Kohli

Dr. Kohli is an Engineer from the Indian Institute of Technology, Roorkee and holds a Post-Graduate Diploma in Industrial Administration from the Manchester University, UK. He obtained his Ph.D. in Economics from the Delhi School of Economics. Dr. Kohli was also Chairman & Managing Director of Power Finance Corporation Limited and has worked with the Planning Commission, Government of India, reaching the position of Advisor (Additional Secretary level). He has carried out international assignments for Asian Development Bank, United Nations Industrial Development Organization, United Nations Development Programme and United Nations Office for Project Services. Dr. Kohli's areas of expertise include development planning, finance, project formulation, appraisal, sustainability and monitoring, power/energy planning, Corporate Social Responsibility training and human resource development.

• Mr. Surinder Singh Kohli

Mr. Kohli, aged 66 years, is an Independent Director of our Company and has been on the Board of our Company since December 13, 2010. He holds Bachelors degree in Science (Mechanical Engineering) from Benaras Hindu University and a diploma in Industrial Finance from Indian Institute of Bankers. Prior to joining our Company he was the Chairman & Managing Director of India Infrastructure Finance Company Limited, Punjab National Bank, Small Industries Development Bank of India and Punjab and Sind Bank respectively. He was also the Chairman of the India Banks Association for two terms.

• Mr. Ramarao Muralidharan Coimbatore

In his earlier capacity, Mr. Muralidharan was Whole-Time Member of IRDA and was looking after the compliance by the insurers of the regulations on investments, analysis of financial statements of insurance companies, on and off-site supervision of insurance companies as well as other regulatory issues including the registration of new insurance companies. Prior to joining IRDA, he worked in RBI for more than three decades in various capacities. He was heading the Department of Banking Operations and Development (DBOD) of RBI, which is responsible for laying down a regulatory framework on a wide range of operations for Indian commercial banks to promote a sound and competitive banking system consistent with the emerging international