PTC India
Financial Services Limited

WE BRING LIFELINE TO

CLEAN, SUSTAINABLE INFRASTRUCTURE

17th Annual Report
2022-23

Preferred Financial Partner in financing Infrastructure Projects

Contents

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	:	Ms. Shweta Agrawal
Statutory Auditors	:	M/s. Lodha & Co.
Internal Auditors	:	M/s. Deloitte Haskins & Sells 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 Limited Karvy Selenium Tower B Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad – 500 032 Tel : (040) 67162222, Fax : (040) 23001153
Bankers	:	Axis Bank Bank of Baroda Bank of India Bank of Maharashtra Canara Bank Central Bank of India HDFC Bank IDBI Bank Ltd ICICI Bank Ltd Indian Bank IndusInd Bank Punjab National Bank State Bank of India The Jammu & Kashmir Bank Union Bank of India Yes Bank Ltd
Debenture Trustee	:	IDBI Trusteeship Services Limited Universal Insurance Building, Ground Floor Sir P.M Road, Fort Mumbai, Maharashtra – 400 001, India 022 40807000, +91 7208822299, +91 8591585821 HYPERLINK “mailto:itsl@idbitrustee.com” itsl@idbitrustee.com
Website	:	www.ptcfinancial.com
E-mail	:	complianceofficer@ptcfinancial.com ir@ptcfinancial.com (for bondholders) 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 17th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 17th (Seventeenth) Annual General Meeting ("AGM") of the Members of PTC India Financial Services Ltd. ("PFS" or the "Company") will be held on Tuesday, 12th day of September, 2023 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 2023, 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 2023 and report of Auditor's thereon.

2. To re-appoint Sh. Pankaj Goel (DIN: 03006647) as Director, 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 Sh. Pankaj Goel (DIN: 03006647) who retires by rotation and who is eligible for re-appointment as per his existing terms, be and is hereby re-appointed as Director."

3. To declare final dividend on equity shares for the financial year ended March 31, 2023.

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

   "RESOLVED THAT the final dividend @ 10% i.e. ₹ 1/- per equity share (face value of ₹ 10/- per equity share) capital of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2023."

SPECIAL BUSINESSES

4. **Appointment of Sh. Mahendra Lodha, (DIN: 01295859) as Director (Finance) and Chief Financial Officer of the Company and approve his remuneration.**

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

   "RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the Rules made thereunder read with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Articles of Association of the Company and the Nomination and Remuneration Policy, **Sh. Mahendra Lodha** (DIN: **01295859**), who, on the recommendation of the Nomination and Remuneration Committee & Audit committee, was appointed by the Board of Directors (hereinafter referred to as "Board", which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof), as an Additional Director of the Company with effect from **June 14, 2023** and designated as Director (Finance) and Chief Financial Officer and who holds office as Additional Director upto the date of ensuing Annual General Meeting ("AGM") of the Company, and in respect of whom, the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the Articles of Association of the Company, and based on the recommendation of the Nomination & Remuneration Committee (hereinafter referred to as the "NRC") and approval of the Audit committee and Board thereof and such other authorities, if any required, approval of the members of the Company be and is hereby accorded to the appointment of **Sh. Mahendra Lodha (DIN: 01295859)** as the Director (Finance) and Chief Financial Officer (Whole time Director) of the Company with effect from **June 14, 2023**, for a period of 5 (five) years or upto the age of superannuation whichever is earlier, on such remuneration as detailed in the explanatory statement to the notice. The Nomination and Remuneration Committee of the Company shall be authorized to take decisions on the total remuneration and perquisites, periodical increments/ Performance Related Pay, etc. and settle all issues relating to remuneration of Sh. Mahendra Lodha.

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take necessary action(s) in this regard including settling of any question regarding his re-appointment and authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

5. **To alter Article of Association 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 Sections 5, 14 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder read with Regulation 23(6) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended form time to time, and such other approvals, sanctions if and when necessary, desirable and expedient in law, the restated Articles of Association be and is hereby approved and adopted as Articles of Association in the place of existing Articles of Association of the Company.

   RESOLVED FURTHER THAT for the purpose of giving full effect to this resolution, the any of the Directors or Company secretary of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, without requiring the Board of Directors to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

6. **To alter Memorandum of Association 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 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Table A of the Schedule I of the Act, consent of the Members be and is hereby accorded for adoption of the new set of Memorandum of Association of the Company, inter-alia, containing the following changes:

1. *the words "Companies Act, 1956" be substituted with the words "Companies Act, 2013" whenever appears in the existing Memorandum of Association of the Company*
2. *in accordance with the Table A of the Schedule I of the Act, the Clause III (A), III (B) and Clause IV of the Memorandum of Association of the Company, be renamed and read as under:*

Clause III (A)	- *The objects to be pursued by the Company on its incorporation are:*
Clause III (B)	- *Matters which are necessary for furtherance of the objects specified in Clause III (A) are:*
Clause IV	- *The liability of the member(s) is limited, and this liability is limited to the amount unpaid, if any, on the shares held by them.*

3. *Existing Clause III (C) – "Other Objects of the Company not included in 'A' and 'B' above" is merged into Clause III (B).*

RESOLVED FURTHER THAT for the purpose of giving full effect to this resolution, any of the Directors or Company secretary of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, without requiring the Board of Directors to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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

Sd/-
Shweta Agrawal
Company Secretary
M.No.:ACS14148

Place: New Delhi
Date: August 18, 2023

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

Notes:

1. In view of outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular no. 14/2020 dated 8th April, 2020, General Circular no. 17/2020 dated 13th April, 2020, General Circular no. 22/2020 dated 15th June, 2020, General Circular no. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020, General Circular No. 10/2021 dated 23rd June, 2021, General Circular No. 20/2021 dated 8th December, 2021, the General Circular No. 2/2022 dated 5th May, 2022 and General Circular No. 11/2022 dated 28th December, 2022 (collectively 'MCA Circulars'), permitted companies to conduct General Meeting through video conferencing ('VC') till 30th September, 2023. In compliance with the MCA and applicable provisions of the Act and Listing Regulations, the AGM of the Company is being convened and conducted through VC. The deemed venue for the AGM shall be the Registered Office of the Company.

2. Pursuant to the above referred MCA Circulars, since this AGM is being held 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. However, Corporate members intending to appoint their authorized representatives to attend the meeting are requested to send the Company a certified copy of Board Resolutions authorizing their representative to attend and vote on their behalf at the meeting.

3. Relevant documents referred to in the accompanying Notice and the explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays and Sundays, between 11:00 a.m. and 1:00 p.m. upto the date of Annual General Meeting. The requisite statutory registers as well as documents referred in notice will be made available electronically for inspection by the members of the Company upto the date of AGM. Members seeking inspection of such documents can send email at info@ptcfinancial.com.

4. Details of director(s) seeking appointment and re-appointment at this AGM, as prescribed under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with the Secretarial Standards- II issued by the Institute of Company Secretaries of India is annexed hereto and forms part of the notice.

5. SEBI vide circular no. SEBI/ HO/ MIRSD/ MIRSD-PoD-1/ P/ CIR /2023/ 37 dated 16.03.2023 in supersession of SEBI circular no. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated 3rd November 2021 has instructed to mandatorily furnish PAN, KYC details and Nomination by holders of physical securities. In other words, it shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

Accordingly, it is once again reiterated that it is mandatory for all holders and claimants of physical securities to furnish PAN details to RTA.

Pursuant to above SEBI circular, the shareholders are requested to furnish valid PAN, email address, mobile number, Bank account details and nomination details immediately in the below mentioned forms to the RTA:

Sr. No.	Form	Purpose
(i)	Form ISR-1	To register/update PAN, KYC details
(ii)	Form ISR-2	To Confirm Signature of securities holder by the Bank
(iii)	Form ISR-3	Declaration Form for opting-out of Nomination
(iv)	Form SH-13	Nomination Form
(v)	Form SH-14	Cancellation or Variation of Nomination (if any)

All above Forms ISR-1, ISR-2, ISR-3, SH-13 and SH-14 are available on our website www.ptcfinancial.com. Folios wherein any one of the cited details/documents (i.e. PAN, KYC, Bank Details and Nomination) are not available with us, on or after October 1, 2023, shall be frozen as per the aforesaid SEBI circular.

In view of the above, we request the shareholders to submit the duly filled-in Investor Service Request forms along with the supporting documents to Bank's RTA at below address at the earliest.

You are also requested to get your physical holding(s) into demat to get all the benefits including faster settlements and disbursement of corporate benefits like bonus, rights, dividends, immediate and fast transfer of securities etc.

Freezing of Folios without PAN, KYC details and Nomination

(i) The folios wherein any one of the cited document/details as in para above are not available on or after October 1, 2023, shall be frozen by the RTA.

(ii) The security holder(s) whose folio(s) have been frozen shall be eligible:

(a) to lodge grievance or avail any service request from the RTA only after furnishing the complete documents/ details as mentioned in para above.

(b) for any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from April 1, 2024. An intimation shall be sent by the Company to the security holder that such payment is due and shall be made electronically only upon complying with the requirements stated in para 4 of such above referred Circular.

(iii) Frozen folios shall be referred by the RTA / listed company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

(iv) The RTA shall revert the frozen folios to normal status upon receipt of all the Documents/details as in para above.

In case of any query / assistance, members are requested to contact our RTA:

Kfin Technologies Limited
Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana.
Toll free number - 1- 800-309-4001
Website: www.kfintech.com
Email: einward.ris@kfintech.com

6. In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

7. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

8. Non-Resident Indian members are requested to inform Company / respective DPs, 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.

9. 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 or Share Transfer Agent, for consolidation into a single folio.

10. The Company's Registrar & Transfer Agent (RTA) is M/s KFin Technologies Ltd. ('KFin') The communication address of our Registrar and Share Transfer Agent (RTA) is Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana, 500032.

11. a) In compliance with MCA Circulars read with the Securities and Exchange Board of India ("SEBI") circulars dated January 5, 2023, May 12, 2020, January 15, 2021 and May 13, 2022 (hereinafter referred to as "SEBI Circulars"), physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY23) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s) as on August 11, 2023 (closing hours) The Members may note that the Notice calling the AGM along with the Annual Report 2022-23 has been uploaded on the website of the Company at www.ptcfinancial.com. The Notice of the AGM along with Annual Report 2022-23 can also be accessed from the websites of the BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and on the website of KFIN Technology Limited (agency for providing the Remote e-voting and e-voting facility) i.e. https://evoting.kfintech.com/.

However, a member is entitled to receive the hard of the same by writing us at info@ptcfinancial.com. Also, the member can demand the electronic copy of this notice via. following the same method.

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 September 5, 2023 being cut-off date are eligible to cast vote through remote e-voting or voting in the AGM only if they are holding shares as on that date.

12. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

13. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid to those members whose name appear in the register of members/ lists of Beneficial Owners to be furnished by National Securities Depository Limited(NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic format on September 5, 2023 through permeitted banking channel(s).

14. Pursuant to the changes introduced by the Finance Act, 2020 w.e.f. April 1, 2020, the Company would be required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. For the prescribed rates for various categories, the shareholders are requested to refer the Finance Act, 2020 and amendments thereof. Some of the major features of the latest tax provisions on dividend distribution are stated as hereunder for a quick reference.

For Resident Shareholders, tax shall be deducted at source under section 194 of the Income tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2023-24 provided PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @20% as per Section 206AA of the Income Tax Act, 1961.

In cases where the shareholder provides Form 15G (applicable to any person other a Company or a Firm)/ Form 15 H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no tax at source shall be deducted.

Apart from the above, since the TDS/Withholding rates are different for resident and non-resident shareholders, members are requested to confirm their residential status as per the provisions of the Income Tax Act, 1961, by email at info@ptcfinancial.com

In view of above provisions, the shareholders are requested to update their PAN with the Company/R&T Agent (in case shares held in physical mode) and with the depositories (in case shares held in demat mode). A Resident Individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H as aforesaid, to avail the benefits to non-deduction of tax at source, by sending email to info@ptcfinancial.com upto 5:00 p.m. on September 11, 2023.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary document i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits under the provisions of Income Tax Act, 1961 by sending an email to info@ptcfinancial.com upto 5:00 p.m. on September 11, 2023.

15. 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.

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

In accordance with the MCA Circulars and SEBI Circulars Notice of the AGM along with the Integrated Report for the financial year 2022-23 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. 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:

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.

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.

xiii) Members seeking hard copy of Annual Report and Notice of AGM are requested to place their request via email at info@ptcfinancial.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

16. 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.

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: Saturday, 9th September, 2023 at 9.00 a.m.
Day, date and time beyond which remote e-voting will not be allowed	To: Monday, 11th September, 2023 at 5.00 p.m.

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.

17. 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 September 5, 2023 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 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. together with attested specimen signature(s) of the duly authorised representative(s), 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:

Physical shareholders are hereby notified that based ion SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/ update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR1 Form can be obtained by following the link: HYPERLINK "https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fris.kfintech.com%2fclientservices%2fisc%2fdefault.aspx&c=E,1,RxbWDVuE-WLtjHoDL4S42XoeRWc1NeKcem1EYhXGue8XYYixclyNV_zeGmOrouhSkAmTT7qI-Ilg14uMxBByg3gY5GtUxy-QOSKc--XTpYOLk3U,&typo=1" https://ris.kfintech.com/clientservices/isc/default.aspx

Detailed FAQ can be found on the link: HYPERLINK "https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fris.kfintech.com%2ffaq.html&c=E,1,LBftMu7Tq8e37X_vfUoVq9mM80qBV1YXN2QfUZm0mw8mAesxCEhjZZ4ippi13Zg6NVEhKZIhoGlTcWJF7skA9gq7cpidt7K9sq4-9Qk13Q,,&typo=1" https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

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.

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

18. 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.

19. 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. September 5, 2023. 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 i.e., September 5, 2023, 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.

20. In terms of the relevant Circulars, at-least 1,000 Members are allowed to register and participate at the AGM through VC, strictly on a first-come-first-serve basis. However, the said restriction is not applicable to large Members (Members 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.

21. 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.

22. 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.

23. 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.

24. All the documents referred to in this Notice and the Explanatory Statement setting out the material facts in respect of Item nos. 4 to 6 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

25. 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 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

26. **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. September 12, 2023 subject to receipt of the requisite number of votes in favour of the Resolutions.

27. **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 September 9, 2023, 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 and shall be closed by September 11, 2023 at 5.00 pm.

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, endeavour to address the queries received till September 9, 2023 (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.

28. **SPEAKER REGISTRATION BEFORE AGM**

Members of the Company, holding shares as on the cut-off date i.e September 5, 2023 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 September 8, 2023 to September 10, 2023. 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 by filling the "Shareholders Satisfaction Survey" form available on the website of the Company at t info@ptcfinancial.com. This feedback will help the Company in enhancing Shareholder Service Standards.

29. **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.

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

Sd/-
Shweta Agrawal
Company Secretary
M.No.:ACS14148

Place: New Delhi
Date: August 18, 2023

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

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors ("Board") pursuant to the provisions of Section 161 of the Companies Act, 2013 ("Act"), Articles of Association of the Company and upon recommendation of the Nomination and Remuneration Committee and Audit Committee, has appointed Sh. Mahendra Lodha (DIN: 01295859) as an Additional Director (Executive) of the Company, w.e.f. June 14, 2023.

As an Additional Director, Sh. Mahendra Lodha would hold office of Director upto the date of next Annual General Meeting ("AGM") of the Company or the last date upto which the AGM should have held. The Company has received a notice under Section 160 of the Act proposing his candidature for the Office of Director. Further, on the recommendation of the Nomination and Remuneration Committee & Audit Committee and in accordance with the provisions of Section 197, 198 and 203 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has also appointed Sh. Mahendra Lodha as the Director Finance and Chief Financial Officer (Whole time Director) of the Company with effect from June 14, 2023, for a period of 5 (Five) years or upto the age of superannuation which ever is earlier, at such remuneration as specified below:

The Annual cost to the company (CTC) of Sh. Mahendra Lodha is fixed at ₹ 74.5 Lakhs p.a.. Further, he was also entitled to Performance Related Pay of upto 40% of fixed CTC. In addition to this, he is also entitled to PF, Gratuity, other perquisites, yearly increment, vehicle facility and other benefits which are admissible to a Whole time Director level functionary in line with the Remuneration Policy of the Company as amended from time to time.

The Board or a duly constituted Committee of the Board of the Company shall be authorized to take decisions related to the remuneration, perquisites as per terms of appointment and periodical increments/performance related pay, etc of Sh. Mahendra Lodha and also to settle all issues relating to his appointment and remuneration. Sh. Mahendra Lodha does not have any shareholding in the Company.

Brief resume of Sh. Mahendra Lodha

Sh. Mahendra Lodha is a Chartered Accountant & Company Secretary and has over three decades of rich experience in Private Equity / Venture Capital/ Alternative investment Funds / Fund of Funds (PE / VC / AIF / FOF), Investment banking, Project Finance primarily focused for MSME's in India. He has proven track record in managing venture capital funds, successful investments in diverse sectors and profitable exits. Before joining PFS, he was working as a Chief Executive Officer of SIDBI Venture Capital Limited (SVCL).

Sh. Mahendra Lodha is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Further, for being eligible to be appointed as a Managerial Personnel, he satisfies the applicable conditions set out in sub-section (3) of Section 196 of the Act and Part-I of Schedule V thereto and he is not debarred from appointment by any order of the Securities and Exchange Board of India (SEBI) or any other competent authority.

The Nomination and Remuneration Committee/ the Board of the Company are proposed to be authorised to revise the remuneration and other terms and conditions, from time to time, in accordance with the provisions of the Section 197 of the Act read with Schedule V thereto.

Additional details of Sh. Mahendra Lodha required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India, are given in Annexure to this Notice.

The details set out in the resolution read along with an explanatory statement may be treated as a written memorandum setting out the terms of appointment of Sh. Mahendra Lodha under Section 190 of the Act.

The Board recommends the resolution number 4, as set out in the Notice, for the approval of the members of the Company as an **Ordinary Resolution.**

None of the Directors or Key Managerial Personnel or their relatives, except Sh. Mahendra Lodha himself, are in any way concerned or interested in the proposed resolutions as set out in the Notice.

Item No. 5 & 6

This is to inform the members that in terms of Regulation 23(6) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended by SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023, an Issuer Company shall ensure provision in its Articles of Association (**"AoA"**) for appointment of a person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of Regulation 15 of the SEBI (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors. If such a provision is not present in the AoA, the same shall be inserted in the AoA by way of amendment, on or before September 30, 2023. Therefore, it is required to amend the AoA accordingly.

Moreover, the Company's existing AoA and Memorandum of Association (**"MoA"**) currently includes provisions that are applicable under the Companies Act of 1956. However, since the Companies Act of 1956 has been repealed and the Companies Act of 2013 ("the Act") has been enacted (which has also undergone significant changes since then), it is proposed to align the Company's AOA and MoA with the latest provisions of the Act.

The Board of Directors of the Company, in its meeting held on August 18, 2023, has approved (subject to the approval of members) the adoption of restated AoA and MoA in place of and to the exclusion of existing AoA and MoA of the Company respectively.

The existing AoA, MoA and the draft of the restated AoA and MoA proposed for approval, are uploaded on the website of the Company at https://www.ptcfinancial.com/cms/showpage/page/agm and also available for inspection by the shareholders of the Company during normal business hours at the registered office of the Company and shall also be open for electronic inspection during the AGM.

None of the Directors and Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the resolution as set out in item No. 5 and 6 of the Notice for approval by the members as a special resolution.

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

Sd/-
Shweta Agrawal
Company Secretary
M.No.:ACS14148

Place: New Delhi
Date: August 18, 2023

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

Details Pursuant to Regulation 36(3) of Listing Regulations and in Terms of Secretarial Standards on General Meeting (SS-II) issued by the Institute of Companies Secretaries of India, Brief Particulars of the Directors to be Appointed/ Re-Appointed are as Under:

Name of Director	Sh. Mahendra Lodha	Sh. Pankaj Goel
Date of Birth (Age)	03rd January 1966, (57 Years)	19th December 1969, 52 Years
Nationality	Indian	Indian
Date of first Appointment on Board of Company	June 14, 2023	November 08, 2021
Directorship held in other Companies	PTC Energy Limited (Nominee director of PTC India Limited)	NIL
Chairperson / Member of the Committee of the Board of Directors of the Company	1. Risk Management Committee- Member 2. Corporate Social Responsibility Committee- Member 3. IT Strategy Committee- Member 4. Business Committee- Member	1. Audit Committee- Member 2. Nomination and Remuneration Committee- Member 3. Stakeholders Relationship Committee- Member 4. Risk Management Committee- Member 5. Corporate Social Responsibility Committee- Member 6. IT Strategy Committee- Member 7. Business Committee- Member
Membership/ Chairmanship of Committee of other Companies	NA	NA
Number of Board/ Committee meetings attended during the year	NA	Details provided in the Corporate Governance Report.
Number of Shares Held either directly or for beneficial basis for any other person	NIL	NIL
Terms & Conditions of Appointment/ Reappointment including remuneration sought to be paid	As mentioned in resolution and explanatory statement	Apart from the sitting fee he is not entitled for any kind of remuneration form the Company.
Remuneration last drawn	NA	Details provided in the Corporate Governance Report
Relationship with other		
Directors, Manager and KMPs of the company	Not related	Not related
Listed entities from which the independent director has resigned in the past three years	NA	NA

PTC India Financial Services Limited
BOARD'S REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present the Seventeenth (17th) 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 2023.

1. Financial Performance and State of Company's Affairs

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

(₹ in Crore)

	Standalone		Consolidated	
	FY2022-23	FY2021-22	FY2022-23	FY2021-22
Total Income	**797.08**	**968.74**	**797.08**	**968.74**
Profit/(loss) before Finance Charges, Depreciation & Tax (EBITDA)	670.36	759.75	670.36	759.75
Finance Charges	431.91	579.77	431.91	579.77
Depreciation and Amortization	6.08	6.07	6.08	6.07
Provision for Income Tax (including for earlier years)	56.56	43.93	56.56	43.93
Net Profit/(Loss) After Tax	**175.81**	**129.98**	**175.81**	**129.98**
Other Comprehensive Profit /(Loss) for the year	**0.42**	**9.33**	**0.42**	**9.33**
Total Comprehensive Profit /(Loss) for the year	**176.23**	**139.32**	**176.23**	**139.32**

In FY 2022-23 the total income decreased by 17.72% from ₹ 968.74 crore in FY 2021-22 to ₹ 797.08 crore. However, this got offset significantly by decrease in finance cost by 25.50% to ₹ 431.91 crore as compared to ₹ 579.77 crore in FY 2021-22. In FY 22-23, the Spread on earning portfolio has decreased to 2.83% from 3.00% and NIM on earning portfolio has improved from 4.19% to 4.23%. The other expenses increased by 20.52% to ₹ 20.50 crore during FY 2022-23 as compared to ₹ 17.01 crore in FY 2021-22, the increase in expenses is majorly on account of CSR expenses and resumption of normal office post uplift of covid restriction. Other income decreased by 60.93% to ₹ 6.20 crore during FY 2022-23 compared to ₹ 15.87 crore in FY 2021-22 as Company had received interest on income tax refund amounting to ₹ 15.27 crore in FY 2021-22. Provision for Impairment on Financial Instruments has decreased to ₹ 80.69 crore in FY 2022-23 from ₹ 167.85 crore in FY 2021-22.

During FY 2022-23, PFS received fresh sanctions of short-term loans of Rs 300 crore from IIFCL which was a new lender to company. During the year, the Debt/ Equity ratio of the Company improved to 2.09 from 3.14 in FY 2021-22. Further, the ratio of long-term borrowings to short-term borrowings has strengthen to 98:2 in FY 2022-23 as against 95:5 in FY 2021-22. The company is contemplating to maintain majority of its borrowings in for of long term credit lines to have better ALM and cash flow. The Company has maintained sufficient liquidity in the form of High Quality Liquid Assets (HQLA) as per RBI guidelines and undrawn lines of credit to meet its financial obligations. However, the Company is in the process of raising credit lines/funds to improve the liquidity and achieve growth.

As at March 31, 2023, for loans under stage I and stage II, the management has determined the value of secured portion on the basis of best available information including book value of assets/ projects as per latest available balance sheet of the borrowers, technical and cost certificates provided by the experts and valuation of underlying assets performed by external professionals appointed either by the Company or consortium of lenders. For loan under stage 3, the management has determined the value of secured portion on the basis of best available information, including valuation of underlying assets by external consultant/ resolution professional (RP) for loan assets under IBC proceedings, claim amount in case of litigation and proposed resolution for loan under resolution through Insolvency and Bankruptcy Code (IBC) or settlement. 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.

During the FY 2022-23, with the focused efforts of the management, few loan accounts are on verge of resolution. During the year gross NPAs have decreased from ₹ 724 crore to ₹ 716 crore and net NPAs have decreased from ₹ 387 crore to ₹ 306 crore. For FY 2022-23, Gross NPA as a % to gross advances was 9.68% and Net NPA as a % to net advances was 4.38% as compared to 8.29% and 4.67% respectively for FY 2021-22. The Company is continuously focusing on resolving the stress assets and the efforts are on to achieve better efficiency in coming years. Most of the NPA accounts belong to legacy portfolio primarily comprising of Thermal projects. The Company has shifted its focus on other areas including renewable energy because of which the company's exposure to thermal has reduced to 6% in FY 2022-23 in comparison to 30% as at FY 2015-16.

The profit before tax (PBT) for FY 2022-23 stood at ₹ 232.37 crore compared to ₹ 173.91 crore in FY 2021-22. The profit after tax (PAT) for FY 2022-23 stood at ₹ 175.81 crore against ₹ 129.98 crore in FY 2021-22.

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

The Net Owned Funds of the Company aggregated to ₹ 2,084.35 crore and the total Capital Funds aggregated to ₹ 2,125.73 crore as at 31st March 2023. 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 33.05% as at 31st March 2023.

EPS of the Company for FY 2022-23 stands at ₹ 2.74 per share in comparison to ₹ 2.02 per share for FY 2021-22.

3. Reserves

Out of the profits earned during FY 2022-23, the Company has transferred an amount of ₹ 35.16 crore to Statutory Reserve in accordance with the requirements of Section 45-IC of the Reserve Bank of India Act, 1934.

4. Dividend

The Board in its meeting held on May 18, 2023 has recommended a dividend to be paid @ 10 % i.e. ₹ 1.00 per share for FY 2022-23 subject to the shareholder's approval in the ensuing Annual general meeting of the Company.

5. **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.

6. **Capital Adequacy Ratio**

The Capital Adequacy Ratio as on 31st March 2023 stood at 33.05% compared to 26.71% as on 31st March 2022. No adverse material changes affecting the financial position of the Company have occurred during the financial year.

7. **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 2023) and the date of the report. No adverse Material changes affecting the financial position of the Company have occurred during the Financial Year.

8. **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.

9. **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 2023, PFS has a paid- up share capital aggregating 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 2023. The equity shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

10. **Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Returns are available on the Company's website at https://www.ptcfinancial.com/cms/showpage/page/annual-reports.

11. **Directors and Key Managerial Personnel**

During the period under review, there were following changes in the composition of Board of Directors and Key Managerial Personnel of the Company:

1. Dr. Rajib Kumar Mishra (DIN: 06836268) and Mr. Pankaj Goel (DIN: 03006647), were appointed as Nominee Directors of PTC India Limited (Promoter Company) on the Board of Company w.e.f. 8th November, 2021, which was subsequently approved by the members of the Company at their Annual General Meeting held on December 30, 2022.
2. Smt. Seema Bahuguna (DIN: 09527493), Smt. PV Bharathi (DIN: 6519925) and Mr. Naveen Bhushan Gupta (DIN: 00530741) as Independent Directors of the Company for a term of three (3) consecutive years commencing from 15th November 2022.
3. Sh. Ramesh Narain Misra, ceased to be the Independent Director of the Company on completion of his term on December 30, 2022.
4. Sh. Devendra Swaroop Saksena and Sh. Jayant Purushottam Gokhale, Independent Directors of the Company resigned w.e.f. December 02, 2022.
5. Smt. Sushama Nath, Independent Director of the Company resigned w.e.f. December 30, 2022.
6. Sh. Vishal Goyal, Company Secretary and Compliance Officer of the Company resigned w.e.f. June 25, 2022.
7. Sh. Mohit Seth was appointed as the Company Secretary and Compliance Officer w.e.f. June 25, 2022, who was resigned on November 16, 2022
8. Smt. Shweta Agrawal was appointed as the Company Secretary and Compliance Officer w.e.f. November 17, 2022.
9. After the closure of financial year, on the recommendation of Nomination & Remuneration Committee and Audit Committee, the Board of Directors on April 28, 2023 has approved the appointment of Sh. Mahendra Lodha (DIN 01295859) as an Additional Director and designated him as Director (Finance) & Chief Financial Officer for a period of five (5) years or upto the date of attaining superannuation, whichever is earlier, which is effective from June 14, 2023. Consequently, Mr. Sanjay Rustagi ceases to be a Chief Financial Officer (CFO) of the Company with immediate effect.

   Further pursuant to the direction of RBI and the decision taken by the Board in its meeting held on 20.06.2023, Shri Mahendra Lodha, Director (Finance) & CFO, took over the functions and responsibilities of the MD&CEO w.e.f. 20.06.2023 till the regular MD&CEO is appointed and Dr. Pawan Singh, proceeded on leave till his superannuation.

   For further details about resignation of Independent Directors, please refer Corporate Governance Report.

   Also, in accordance with provisions of the Act and Articles of Association of the Company, Mr. Pankaj Goel shall retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment. The Board recommend his re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

12. **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:-

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

13. **Details of Board meetings**

Twenty-Six Board Meetings were held during the financial year ended on 31st March 2023. The details of which are given below:-

Sl. No.	Date of the meeting	No. of Directors attended the meeting
1	April 06, 2022	7
2	April 28, 2022	7
3	May 16, 2022	7
4	May 28, 2022	7
5	June 25, 2022	6
6	July 16, 2022	7
7	August 05, 2022	7
8	August 13, 2022	6

Sl. No.	Date of the meeting	No. of Directors attended the meeting
9	August 25, 2022	4
10	September 16, 2022	7
11	September 21, 2022	7
12	October 11, 2022	7
13	October 22, 2022	7
14	October 25, 2022	7
15	November 07, 2022	7
16	November 13, 2022	6
17	November 15, 2022	7
18	November 26, 2022	8
19	December 03, 2022	7
20	December 09, 2022	7
21	January 11, 2023	6
22	January 18, 2023	6
23	February 03, 2023	6
24	February 04, 2023	6
25	March 13, 2023	6
26	March 30, 2023	6

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.

14. Committees of Board

The Board have 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

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

15. 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 2023 the composition of the CSR Committee, 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 http://www.ptcfinancial.com/upload/pdf/corporate_social_responsibility_policy.pdf

During the year under review, no change was carried out in the policy.

Further, the report on CSR Activities/ Initiatives including all statutory details is annexed with this report as **Annexure-I**.

16. 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:-

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

17. 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 2023, 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 2023 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 Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

(e) the directors had 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.

18. 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. In accordance with RBI circular Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 issued subsequently in April, 2021, the tenure for statutory auditors of NBFCs was curtailed to a maximum period of three (3) financial years.

In view of above, M/s. MSKA & Associates, Chartered Accountants vacated office as Statutory Auditors of the Company after completing the audit engagement of financial year 2021-22.

Further, based on the recommendation of the Audit Committee, the Board of Directors of the Company at its their meeting held on November 26, 2022 had appointed M/s Lodha and Co., Chartered Accountants as the Statutory Auditors of the Company to fill such casual vacancy.

Also, in compliance with the provisions of Section 139 of the Act read with above referred RBI circular the Board, after considering the recommendation of the Audit Committee, recommended the proposal to appoint them as Statutory Auditors of the Company for a period of three (3) consecutive years i.e. FY 2022-23 to 2024-25 which was approved by the members of the Company in the Annual General Meeting held on 30th December, 2022.

The Statutory Auditors Audit Reports on the Financial Statements of the Company for the financial year 2022-23 is not having any observation/ qualification and is unmodified..

However, there are some points under the head "Emphasis of Matter", in the Statutory Audit report, which are self-explanatory in nature and don't call for any specific comments/ explanation.

19. Frauds reported by the Auditor of the Company

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.

20. 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. RDA & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of records and documents of the Company for the financial year 2022-23. The Secretarial Audit Report is annexed as **Annexure-II**.

In the Secretarial Audit Report, there were certain observations which are self-explanatory in nature and others are explained below:

a. There is a delay in the Circulation, recording and signing of minutes of the Board meeting conducted during period October 22,2022 till November 15,2022, audit committee Meeting conducted during period April 01,2022 till November 15,2022 and 9th IT Strategy Committee Meeting conducted on September 30,2022 with reference to provisions of the SS 1 issued by the ICSI to which the Board clarified that there has been a minor delay in the circulation of the minutes due to various factors beyond the control of management. Based on the directions of the Board of Directors (BOD) and Audit Committee, the same were finalized and taken note of by the BOD on March 13, 2023.

b. There is delay in the compliances under Regulation 33 of SEBI LODR, 2015 for the period ending March 31, 2022 till quarter period ended September 30, 2022 which was then further clarified by the Management that the finalization of quarterly and annual accounts of the Company for FY 22 and Q1&Q2 FY 23 were deferred by the Audit Committee till completion of Forensic Audit which were finalized on November 15, 2022 and December 03, 2022 respectively upon completion of forensic audit.

Save as otherwise provided above, the Secretarial Audit Report does not have any observation/ remarks/ qualification etc.

21. 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.

The detailed 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 is given in Note No. 40 of the Standalone Financial Statements.

22. Human Resources

The Company has a highly committed, loyal and dedicated team. The Company promotes an atmosphere which encourages learning and informal communication within the organisation. The Company is having Performance Management System to objectively measure the performance of the individual and the organization. The overall remuneration structure is linked with such system.

The other required safety norms were followed throughout the company.

Regular employee strength as on 31st March, 2023 stood at Forty Three (43).

23. 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.

24. Risk Management Policy

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

- 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.

25. 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.

26. 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 the opinion of the Board, all the 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.

27. 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-III**.

During the year under review, no change was carried out in the policy.

28. 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 Act 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.

29. 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 2023.

30. 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 internal control and compliance are ongoing process. The Company has established and further strengthened procedures for an effective internal control. The policies and procedures have been laid down with an objective to provide reasonable assurance that assets of the Company are safeguarded from risks of unauthorised use / disposition and the transactions are recorded and reported with proprietary, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audit. The Company has also laid down adequate internal financial controls. During the year, such controls were tested and no material weakness in their operating effectiveness was observed, however Company is making continuous efforts for further improvement in its controls. The Finance and Accounts function of the Company is adequately staffed with experienced and qualified personnel. The Audit Committee and Board of Directors review the operational and financial performance of the company at regular intervals.

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.

31. Cost Auditors

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

32. 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 –IV**.

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

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

33. 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. Dwivedi & Associates, Company Secretaries on compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is provided as part of this Annual Report.

34. 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.

35. Business Responsibility & Sustainability 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 required to be provided.

Further, the nomenclature of the Business Responsibility Reporting has been changed to Business

Responsibility & Sustainability Reporting ("BRSR") for the top 1,000 listed companies by market capitalization. The BRSR is applicable to our Company because it was included in the top 1,000 listed companies for the year ended March 31, 2022, and is attached herewith as **Annexure-V**.

36. 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 2022-23; (₹ in lakhs)

Name of Director	Director's Remuneration	Median Remuneration of employees	Ratio
Dr Pawan Singh	157.23	20.39	12.97%
Shri Naveen Kumar*	28.32	20.39	72.00%

** Retired w.e.f. July 9, 2021 and the remuneration is in context with Performance related pay paid for FY 2020-2021 and 2021-2022*

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 (decreased)
Dr. Pawan Singh^	78.12%
Shri Naveen Kumar*/^	NA
Shri Sanjay Rustagi^	75.88%
Shri Vishal Goyal$/##	13.10%
Shri Mohit Seth#/^	47.75%
Ms Shweta Agrawal (New Joinee w.e.f November 17, 2022)	NA

** Retired w.e.f. July 9, 2021.*

$Resigned w.e.f. June 25, 2022.

 # Resigned w.e.f. November 17, 2022.

^ Performance related pay paid for FY 2020-2021 and 2021-2022

##Performance related pay paid for FY 2020-2021

c. The median remuneration of the employees has decreased to ₹ 20.39 lakhs during FY2022-2023 from ₹ 20.99 lakhs during FY2021-22.

d. 43 permanent employees are on the rolls of company as at 31st March 2023;

e. The average remuneration increased to Rs 31.23 lakhs in FY 2022-23 from ₹ 25.00 lakhs in FY 2021-22.

f. The average percentile increase in the salary of employees other than the managerial personnel is from ₹ 22.46 lakhs in FY2021-22 to ₹ 27.63 lakhs in FY2022-23, resulting in an increase of 23%. Whereas, the average percentile increase in the managerial remuneration is from ₹ 45.67 lakhs in FY2021-22 to ₹ 51.73 lakhs in FY2022-23 resulting in increase of 13.27%

g. The average remuneration of Key Managerial Personnel increased to ₹ 65.41 lakhs in FY2022-23 from ₹ 52.27 lakhs in FY2021-22, resulting in increase of 25.14%. This increase is due to Performance related pay paid for FY 2020-2021 and 2021-2022

A. Particulars of Top 10 employees in terms of remuneration during the year under consideration:

S No.	Name & Designation	Nature of Employment	Remuneration Received (amount in Rs)	Qualification and Experience	Date of Commencement of Employment in the Company	Age	Last Employment
1	Vijay Singh Bisht (ED- Project Monitoring)	Retired on Feb 28, 2023	1,59,48,423.00	BE & MBA	01-08-2008	60 Yr 1 Month (Retired on Feb 28, 2023)	DGM- Power Finance Corporation
2	Pawan Singh* (Managing Director & CEO)	Regular	1,57,23,098.00	MBA, Ph D	01-02-2012	61 Yr 6 month	Director (Finance), Delhi Transco Limited
3	Sitesh Kumar Sinha (EVP)	Regular	1,04,71,638.00	B.E & PGDBM	22-03-2011	47 Yr 4 month	Project Manager- Lahmeyer International (India) Pvt Ltd
4	Sanjay Rustagi (Senior VP- CFO)**	Regular	79,45,510.00	CA & ICWA	24-06-2016	48 Yr 6 month	Asstt Controller in GE Capital services India
5	Devesh Singh (CRO)	Regular	76,95,131.00	B.Com & MBA	03-10-2011	44 Yr 3 month	Manager-Credit & Marketing - Standard Charted Bank
6	Ankur Bansal (VP- Business Development)	Regular	71,20,585.00	BE & MBA	13-07-2018	41 Yr 5 month	Associate Director - KPMG
7	Abhinav Goyal (VP- Investor Relations & Treasury)	Regular	63,94,818.00	B.Com, LLB & CA	18-01-2011	42 Yr 10 month	Relationship manager - ICICI Bank
8	Mohit Seth***	Regular	55,44,452.00	MBA, LLB & CS	21-06-2010	39 Yr 3 month	Company Secretary - YAAS wholesale India Pvt Ltd
9	Rohit Gupta (AVP- Finance)	Regular	54,23,308.00	B.Com & MBA	01-04-2010	38 Yr 5 month	Manager-PTC India Limited
10	Priya Chaudhary (AVP- Business Development)	Regular	54,17,579.00	B Com & MBA	19-10-2021	41 Yr 2 month	Vice President Business Development-Trust Investment Advisors Pvt Ltd

**Pursuant to the direction of RBI and the decision taken by the Board in its meeting held on June 20, 2023, Dr. Pawan Singh, , was divested with all his powers and was advised to proceed on leave till his superannuation.*

*** Ceased to be CFO w.e.f 14th June 2023 on joining of Mr. Mahendra Lodha, Director (Finance) & CFO*

****Resigned w.e.f. November 17, 2022.*

Note:1: None of the above employee is a relative of any director or manager of the Company.

2. None of the above employee hold any shares in the Company

B. It is affirmed that :-

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

II. There are no employees who are in receipt of remuneration (fixed CTC) in excess of the highest paid director during the year and holds by himself or through his/ her relatives not less than two percent of equity shares.

III. Save as otherwise provided above there are no personnel who are;

a. in receipt of remuneration aggregating not less than ₹ 1,02,00,000 per annum and employed through the financial year; and

b. in receipt of remuneration aggregating not less than ₹ 8,50,000 per month and employed for part of the financial year.

37. Details of conservation of energy, technology absorption

In view of the nature of activities that are being carried on by the Company, the provisions of the Companies (Accounts) Rules, 2014 concerning conservation of energy are not applicable to the Company however, every effort is made to ensure that energy efficient equipment is used to avoid wastage and conserve energy, as far as possible. The Company is committed towards conservation of energy and climate action. It focuses on improving energy efficiency, increasing the use of renewable/ alternate source of energy.

38. Foreign Exchange earnings & outgo

The Company has incurred interest expenditure of ₹ 6.09 crore (previous year ₹ 10.57 crore) and repayment of borrowing ₹ 87.43 crore (previous year ₹ 85.04 crore) in foreign exchange during the financial year ended 31st March 2023.

39. **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.

40. **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 transferred 27,760 unclaimed shares and ₹ 7,20,366/- as unclaimed dividend to IEPF and the Company has already filed the necessary forms and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 30th December 2022), with the Ministry of Corporate Affairs.

41. **General**

Your Directors state that there are no disclosure(s) or reporting(s) 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.

42. **Compliance with Applicable Secretarial Standards**

Save as otherwise provided in this report, 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.

43. **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 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/-
Rajib Kumar Mishra
Chairman
DIN: 06836268

Date : August 18, 2023
Place : New Delhi

ANNEXURE - I

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR ENDED March 31, 2023

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.

In accordance with the Companies Act, 2013, your Company has committed 2% (Average Net Profit before Tax of last 3 years) annually towards CSR initiatives. The CSR Policy of your Company outlines the approach and direction given by the Board, considering the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the CSR annual action plan.

The Company's CSR policy is available on the website of the Company and can be accessed via. https://www.ptcfinancial.com/cms/showpage/page/codes-policies.

The CSR policy of the Company was reviewed and updated in September, 2022.

2. **Composition of CSR Committee, during the year under consideration:**

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.	Smt. Seema Bahuguna	Non-Executive – Independent Director *(Chairperson)*	3	2
2.	Dr. Pawan Singh*	Managing Director & CEO	3	3
3.	Shri Pankaj Goel	Non-Executive – Nominee Director *(Member)*	3	3
4.	Shri Devendra Swaroop Saksena**	Non-Executive – Independent Director *(Past Chairperson)*	3	1
Change subsequent to March 31, 2023:				
5.	Shri Mahendra Lodha*	DF & CFO (MD & CEO-Add In-charge) *(Member)*	NIL	NA

**Appointed as a member of the committee w.e.f July 28, 2023, in place of Dr. Pawan Singh*

*** Resigned from the directorship w.e.f. 2nd December, 2022.*

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:

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

CSR Policy: https://www.ptcfinancial.com/cms/showpage/page/codes-policies

CSR Projects: https://www.ptcfinancial.com/userfiles/Corporate%20Social%20Responsibility.pdf

4. Executive summary along with web-link(s) 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:

NA

5. (a) Average net profit (of last 3 years) of the company as per section 135(5) of the Act : ₹ **597,587,528**

(b) Two percent of average net profit of the company as per section 135(5): ₹ **1,19,51,751**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **None**

(d) Amount required to be set off for the financial year, if any: **None**

(e) Total CSR obligation for the financial year (6b+6c-6d): ₹ **1,19,51,750**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Nil**

(b) Amount spent in Administrative overheads: ₹ **5,80,750**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Nil**

(e) CSR amount spent or unspent for the financial year: Unspent for FY 2022-23 : ₹ **1,13,71,000**

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
5,80,750*	1,13,71,000	25.04.2023	IIT Delhi Endowment Fund	82,19,657	29.09.2022

** Amount spent in Administrative overheads*

*** Unspent amount of CSR Funds for FY 2021-22*

(f) **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)	1,19,51,750
(ii)	Total amount spent for the Financial Year	5,80,750
(iii)	Excess amount spent for the financial year [(ii)-(i)]	00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. Details of Unspent CSR amount for the preceding three financial years:

l. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent 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 ₹)	Deficiency, if any
					Name of the Fund	Amount (in ₹).	Date of transfer.		
1.	2021-22	00	00	000	IIT Delhi Endowment Fund	82,19,657	29.09.2022	00	-
2.	2020-21	00	00	00	---	-	-	-	-
3.	2019-20	00	00	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

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

Mahendra Lodha
Director (Finance) & CFO
(Add In-charge MD&CEO)
DIN: 01295859

Smt. Seema Bahuguna
Chairperson-CSR Committee
DIN: 09527493

ANNEXURE - II

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

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 called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis forevaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under;

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 (Issue of Capitaland Disclosure Requirements) Regulations, 2009;

   d) 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.

vi) The Reserve Bank of India Act 1934 and rules, regulations, master-directions and guidelines made issued thereunder as are applicable to Non-Banking Financial Companies (NBFC), as specifically applicable law to the Company.

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

i) Secretarial Standards issued by the Institute of Company Secretaries of India;

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.subject to the following;

1. *There is delay in the Circulation, recording and signing of minutes of the Board meeting conducted during period October 22,2022 till November 15,2022, audit committee Meeting conducted during period April 01, 2022 till November 15,2022 and 9th ITStrategy CommitteeMeeting conducted on September 30,2022 with reference to provisions of the SS 1 issued by the ICSI and all the said minutes are now finalized and signed as on date.*

2. *There is delay in the compliances under Regulation 33 of SEBI LODR, 2015 for the period ending March 31,2022 till quarter period ended September 30,2022.*

We further report that: -

The appointment of independent directors has been done by the Board through circular resolution as on 29.03.2022and Company was unable to get recommendation of Nomination and Remuneration Committee (NRC) due to its non-existence pursuant to resignation of existing independent directors and further, the Independent Directors had not been confirmed by Shareholders within 3 months as required under provision of the SEBI (LODR). However, email dated June 28,2022 received form SEBIreiterated that "SEBI has provided a specific action to the company vide SEBI email dated May 13,2022- "PFS is advised to ***not change the Structure and Composition of PFS Board****, till the completion of forensic audit and submission of report by RMC of PTC India Limited.* Apart from aforesaid, other 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.

Notice has been given to all directors to schedule the Board Meetings during the financial year under review, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that, systems and processeshave improved during the Audit period and there is requirement of furtherstreamlining inorderto commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, company has received show cause notices under Section 178 , 149 and Schedule IV of the Companies Act 2013 during the audit period, on the basis of issues raised by the erstwhile independent directors in the previous financial year 2022 and same is pending before the Registrar of Companies, NCT of Delhi & Haryana (MCA) Ministry of Corporate Affairs.

Since, the matter is sub-judice and to be decided by the Registrar of Companies, NCT of Delhi & Haryana (MCA), Ministry of Corporate Affairs,at this stage it is difficult to comment on impact of said show cause notices.

FOR RDA & ASSOCIATES
(Company Secretaries)

CS AWANISH K. DWIVEDI
Partner
FCS 8055,
CP No.- 9080
UDIN: F008055E000280791

Place : New Delhi
Date : 10/05/2023

Annexure-I

To,
The Members,
PTC INDIA FINANCIAL SERVICES LIMITED,
7th Floor, Telephone Exchange Building 8,
Bhikaji Cama Place,
New Delhi-110066

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

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the complianceshowever, reliance was also placed on electronic records for verification.

FOR RDA & ASSOCIATES
(Company Secretaries)

CS AWANISH K. DWIVEDI
Partner
FCS 8055,
CP No.- 9080
UDIN: F008055E000280791

Place : New Delhi
Date : 10/05/2023

ANNEXURE - III

"NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY"

Legal Framework

As per the requirements of Companies Act 2013, 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 under the Listing Agreement with the Stock Exchanges;
- **'Other employees'** means, all the employees other than the Directors, KMPs and the Senior Management Personnel.'
- **"Key Managerial Personnel"** or KMP means key managerial personnel as defined under the Companies Act, 2013 & includes:-
  - i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
  - ii. Company Secretary; and
  - iii. Chief Financial Officer
  - iv. Such other officer as may be prescribed
- **'Senior Management Personnel'** means personnel of the company who are members of its core management team excluding Board of Directors, and comprises of all members of management who are in the grade that is one level below the WTD
- **'Nomination & Remuneration Committee'** means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

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 Clause 49 of the Listing Agreement. 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.

CONSTITUTION

- The Board has determined the membership of the Nomination and Remuneration Committee (hereinafter "the Committee").

  The Committee shall elect its Chairman who will be an Independent Director.

NOMINATION & REMOVAL CRITERIA

1 Appointment criteria and qualifications:

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

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

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

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

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

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

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

1.8 The Company should ensure that the person so appointed as Director/ Independent Director, KMP, Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement 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 Agreement 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 I Tenure

2.1 MD & 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 I 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.

Criteria of Evaluation

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- IV

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
(For the Financial Year 2022-23)

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

Sl No.	Name of Associates or Joint Ventures	R.S. India Wind Energy Private Limited (Rs. In lakhs)	Varam Bio Energy Private Limited (Rs. 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(Note C)	Nil (Note D)
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.

Note D: The associate company is under liquidation. Further, PFS 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.

Mahendra Lodha Director (Finance) & CFO (Add In-charge MD&CEO) DIN:1295859	NB Gupta (Director) DIN: (00530741	Shweta Agrawal Company Secretary (ACS-14148)

Date: August 18, 2023
Place: New Delhi

ANNEXURE - V

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L65999DL2006PLC153373
2.	**Name of the Listed Entity**	PTC India Financial Services Limited
3.	**Year of incorporation**	2006
4.	**Registered office Address**	7th Floor, Telephone Exchange Building 8 Bhikaji Cama Place, New Delhi, Southwest Delhi- 110066
5.	**Corporate address/Head Office Address**	7th Floor, Telephone Exchange Building 8 Bhikaji Cama Place, New Delhi, Southwest Delhi- 110066
6.	**E-mail**	shweta.agrawal@ptcfinancial.com
7.	**Telephone**	011-26737300
8.	**Website**	https://www.ptcfinancial.com/
9.	**Financial year for which reporting is being done**	April 1, 2022-March 31, 2023
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited National Stock Exchange of India Limited
11.	**Paid-up Capital**	₹ 6,42,28,33,350
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Mrs. Shweta Agrawal Designation: Company Secretary E-mail id: shweta.agrawal@ptcfinancial.com Phone No.: 011-26737300
13.	**Reporting boundary-Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Standalone (For the entity itself as PFS does not have any subsidiary)

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	NBFC	Infrastructure financing	93.44%

15. Products/Services sold by the entity *(accounting for 90% of the entity's Turnover)*:

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Term Loan & Corporate Loan	65923	93.44%
2	Letter of Comfort for Letter of Credit		Nil

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	1	1
International	-	-	-

PFS is into infrastructure financing and does not undertake any manufacturing activities.

17. **Markets served by the entity:**

a. **Number of locations**

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	Nil

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

The Company is not involved in export of any product or services; hence it is not applicable.

c. **A brief on types of customers**

The Company mainly serves the Corporates (Private and State) which are into development, operation and maintainance of Infrastructure projects.

IV. **Employees**

18. **Details as at the end of Financial Year:**

a. **Employees (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	43	36	83.72%	7	16.28%
2.	Other than Permanent (E)	9	7	77.78%	2	22.22%
3.	**Total employees (D + E)**	**52**	**43**	**82.69%**	**9**	**17.31%**
The Company does not have any worker						

b. **Differently abled Employees:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	1	1	100%	Nil	N/A
2.	Other than Permanent (E)	1	Nil	N/A	1	100%
3.	**Total employees (D + E)**	**2**	**1**	**50%**	**1**	**50%**
The Company does not have any worker						

19. **Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2	33.33%
Key Management Personnel*	2	1	50.00%

The above information pertains only to the Company as at 31st March 2023.

* Key Management Personnel are defined under section 203(1) of the Companies Act, 2013

20. **Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16%	9%	24%	13%	4%	17%	0%	0%	0%
Permanent Workers	NA								

V. **Holding, Subsidiary and Associate Companies (including joint ventures)**

21. (a) **Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	**PTC India Limited**	**Holding**	**64.99%**	**No**
2	R.S. India Wind Energy Private Limited	Associate	37%	No
3	Varam Bio Energy Private Limited	Associate	26%	No

VI. **CSR Details**

22. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

(ii) **Turnover (in₹)** 797.08 cr

(iii) **Net worth (in ₹)** 2442.74 cr

VII. **Transparency and Disclosures Compliances**

23. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	-	-	N/A	-	-	N/A
Investors (other than shareholders)	Yes, Name of the Policy: Investor Grievance Redressal Policy Weblink- https://www.ptcfinancial.com/cms/showpage/page/codes-policies	481	0	N/A	548	0	N/A
Shareholders		22	0	N/A	79	0	N/A
Employees and workers	Yes, Name of the policy: Code of Conduct for Employees Weblink- https://www.ptcfinancial.com/cms/showpage/page/codes-policies	-	-	N/A	-	-	N/A
Customers	Yes There is no official policy, however, in all the Company's touch points like – Owner's Manual , Website, [.] App & Repair Orders, it is mentioned to connect on the registered customer care email ID or toll free number if any feedback.	-	-	N/A	-	-	N/A
Value Chain Partners	-	-	-	N/A	-	-	N/A
Other (please specify) N/A	-	-	N/A	-	-	N/A	

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change vulnerability – Carbon Emission/ Product footprint/ Financing environmental impact.	Opportunity	The end use of finance extended to the borrowers, especially throughincreased awareness about climate change has accelerated the adoption of environment friendly products such as renewable power, electric vehicles etc, thereby creating an opportunity to finance and insure such class of assets.	PFS is lending to the sector which promote the sustainability and Green Financing	Positive: PFS's experience in lending for varied class of assets and depth of its balance sheets could allow it to harness opportunities provided by financing customers who opt to adapt these climate friendly class of assets.
2	Our Customers	Risk	Given that PFS provides financial products and services to large infrastructure Projects and some of them are of National importance, any undesirable customer experience could result in loss of customers or even reputational loss.	PFS appropriately addresses their grievances. Customer experience is enhanced by offering products and services which meet the needs of customers	Loss of reputation can result in loss of customer thereby adversely impacting businesses of PFS
3	Our People	Opportunity	**Health and Safety** Employee well-being Gender diversity Employee representation Attract talent for benefit of Company	It is opportunity	Positive implications
4	CSR Management	Opportunity	As a part of nation building, the Company has implemented a CSR project during the current FY- IIT Delhi Endowment Fund		Positive implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

P 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

P 2 Businesses should provide goods and services in a manner that is sustainable and safe.

P 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

P 4 Businesses should respect the interests of and be responsive to all its stakeholders.

P 5 Businesses should respect and promote human rights.

P 6 Businesses should respect and make efforts to protect and restore the environment.

P 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

P 8 Businesses should promote inclusive growth and equitable development.

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

Disclosure Questions									
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	As per company practice, all the policies are approved by the concerned authority depending upon the nature of policy. The concerned authority could be Board, MD, CEO / Functional Head etc.								
c. Web Link of the Policies, if available	https://www.ptcfinancial.com/cms/showpage/page/codes-policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	NA								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company policies are aligned with IFC performance standards.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	PFS has an annual Budget and plans approved by the Board which specify commitment towards financing of environment sustainability projects								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	PFS is committed to finance environment sustainable and sunshine projects and accordingly finance projects for sewage treatment under MMCG, electric vehicles under FAME II scheme and development of various wind and solar power projects.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) The Company's environmental sustainability goal, in alignment with the Paris Agreement and commitment to Science Based Targets (SBT), is to become a carbon neutral company by 2040. Its Risk Management framework works at various levels across the enterprise, with a defined organisational structure, for managing and reporting risks.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Managing Director & CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, The Company's multi-tiered governance structure spearheaded by Board of Directors (BOD), responsible for overseeing – formulation and implementation of the strategy. Management of daily activity rests with Managing Director, CEO and other senior leaders. Board level committees such as Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee etc., formed from amongst the board members helps in formulation, overseeing and implementation of associated policies.								

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annual/Half Yearly/ Quarterly/ Any other- Please Specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis. During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable and are periodically reviewed by the Board of Directors of the Company, wherever required.																	

011. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA								
NA									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ Principles covered under the training and its impact	%age of persons in respective Category covered by the awareness Programmes
Board of Directors	1	Business, strategy, risk and update of laws, Information Security awareness, fraud risk management.	100%
Key Managerial personnel	2		100%
Employees other than BOD and KMP's	2		80%
Workers	NA		NA

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	**Name of regulatory/ enforcement agencies/ judicial institutions**	**Amount (IN INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/Fine	P1	National Stock Exchange of India Limited	26,68,000/-	Non constitution of Committees and non-filing of financial results	No
	P1	Bombay Stock Exchange	28,51,000/-	Non constitution of Committees and non-filing of financial results	No
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary				
	NGRBC Principle	**Name of regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
NA	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has adopted the Code of Business Conduct and Ethics, governing conduct of the business of the Company in an ethical manner. 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

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N.A.	Nil	N.A.
Number of Complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	N.A.	Nil	N.A.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable.

Principle 2: Business should provide goods and services that are sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial year	Previous Financial year	Details of improvements in environmental and social impacts
R & D	Nil	Nil	Nil
Capex	Nil	Nil	Nil

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   b. **If yes, what percentage of inputs were sourced sustainably?**

   No

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   The Company has no unique product that needs to be reclaimed at the end of its useful life. However, at the project and operation sites, there are procedures in place to recycle, reuse, and dispose of the aforesaid waste being generated over the course of development and operation in accordance with regulatory requirements.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   No, Extended Producer Responsibility (EPR) is not applicable to the Company's activities.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	%age of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	100	36	100	36	-	36	100	-	-	-	-
Female	-100	-7	-100	-7	-	-7	-100	-	-	-	-
Total	-100	-43	-100	-43	-	-43	-100	-	-	-	-
Other than Permanent Employees											
Male	100	7	100	7	100	7	100	-	-	-	-
Female	-100	2	-100	2	-100	2	-100	-	-	-	-
Total	-100	9	-100	9	-100	9	-100	-	-	-	-

   b. **Details of measures for the well-being of workers:**

Category	%age of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

b. **Details of measures for the well-being of workers:**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	70-80%	-	Y	70-80%	-	Y
Gratuity	100%	-	N.A	100%	-	N.A
ESI	40-50%	-	Y	40-50%	-	Y
Bonus & Leave Encashment	100%	-	N.A	100%	-	N.A

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Currently the Company does not have any differently abled employees, who would require any special premise facility.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

PFS HR Policy provides fair remuneration and equal opportunities at the time of recruitment as well as during employment irrespective of age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, or any other status of individuals.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.** NA

Benefits	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male				
Female				

6. **Is there a mechanism available to receive and redress grievances for the Permanent and Other than Permanent categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes. Grievance redressal mechanism is available. Complaints can be raised directly to GRO. Also, grievances can be raised through e-mails and all the grievances that are received through different platforms are directed to GRO.

The grievances can also be raised through whistle blower system through dedicated mail following the Vigil Mechanism Policy of the Company and Company assures that such grievances are addressed promptly, fairly and impartially in accordance with the organisation's other rules.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

There is no association or union of employees or workers recognised by the company.

8. **Details of training given to employees:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures*		On Skill upgradation		Total(D)	On Health and safety measures*		On Skill upgradation	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Male	**43**	-	-	30	69.77	36	-	-	31	86.11
Female	**9**	-	-	6	66.67	9	-	-	9	100
Total	**52**	-	-	36	69.23%	45	-	40	-	
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

***Yoga is organized for all the employees every day.**

9. **Details of performance and career development reviews of employees and worker**

Category	FY 2022-23					FY 2021-22				
	Total (A)	No.(B)		%(B/A)		Total (C)	No. (D)		%(D/C)	
Employees										
Male	-43	-43	-	100	-	36	36	-	100	-
Female	-9	-9	-	100	-	9	9	-	100	-
Total	**-52**	**-52**	**-**	**100**	**-**	**45**	**45**	**-**	**100**	**-**
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. Our Health and Safety management system covers all of our employees.The Company is committed to provide a healthy workplace.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

(i) PFS conducts safety audits on a periodic or on a need basis wherein parameters related to fire safety, housekeeping, electrical safety, and emergency preparedness are assessed.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

NA

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time injury Frequency rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High Consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. **Describe the measures taken by the entity to ensure a safe and healthy work place.**

Our buildings are thoughtfully designed, keeping the health and well-being of our employees and occupiers in mind. Different design elements ensure that the buildings offer a conducive work environment. These elements minimise stress or discomfort due to loud sounds, insufficient light or excessive glare, or thermal stress in order to create friendly spaces.

We check for Air quality at our offices spaces and take regular measures to improve the same. Frequent equipment checks are carried out to mitigate any wear and tear due to continued use, E.g.: Air Conditioners, UPS, Stabilisers etc, Fire alarm systems and smoke detectors are installed at all premises. Fire extinguishers are kept filled to ensure effective use during any untoward incidents.

13. **Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or Statutory authorities or third parties)
Health and Safety Practices	100% by PFS Safety Team
Working Conditions	100% by PFS Safety Team

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant corrective actions pertaining to above mentioned parameters was necessitated by PFS during the year under review.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The internal and external groups/ bodies whose activities, participation and aspirations are integral to the business and have immediate and significant impact on the operations of the PFS, are regarded as a key stakeholder groups and have been identified accordingly.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board Website) Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others-Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Shareholder	No	Annual General Meeting/ Stock Exchange disclosures/ Quarterly and Half Yearly Results publications/ Email Communications/ letters/ press release/ complaints and resolutions	AGM – Annual H/Y results – Half Yearly Q/Y Results- Quarterly Others - Ongoing	Financial results, dividends, financial stability, induction of board members, changes in shareholdings, growth prospects
Employees	No	Forum, performance appraisal meeting, review, exit interviews, wellness initiatives, grievance mechanism functioning, email, circulars	Ongoing	Performance analysis and career path setting, operational efficiency, long-term strategy plans, training and awareness, health, safety and engagement initiatives.
Customers	No	Newsletter and brochures and meetings	Ongoing and as per product launches	Product quality, safety and availability, responsiveness of needs, timely delivery, fair and competitive pricing
Suppliers/ Contractors/ Partners	No	Regular supplier and contractor meeting on need basis	Annual/ Monthly	Inclusion of local suppliers/ contractors
Government	No	Meetings with local administration/ state government authorities on need basis	Ongoing	Statutory compliance, transparency in disclosures, tax revenues, sound corporate governance mechanisms
Communities	No	Community visits and projects, partnership with local charities, CSR initiatives	Ongoing	Assess local communities needs, strengthen livelihood opportunities.

Principle 5: Business should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of Employees/ workers Covered (B)	%(B/A)	Total (C)	No. of Employees/ workers covered(D)	%(D/C)
Employees						
Permanent	43	43	100	43	43	100
Other than Permanent	9	9	100	9	9	100
Total Employees	52	52	100	52	52	100
Workers						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No.(B)	% (B/A)	No.(C)	%(C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent	43	-	0%	43	100%	45	0	0%	45	100%
Male	34	-	0%	34	100%	36	0	0%	36	100%
Female	9	-	0%	9	100%	9	0	0%	9	100%
Other than Permanent	9	-	0%	9	100%	6	0	0%	6	100%
Male	7	-	0%	7	100%	5	0	0%	5	100%
Female	2	-	0%	2	100%	1	0	0%	1	100%
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format: for financial year 2022-2023

	Male		Female	
	Number	Median Remuneration/salary/wages of respective category ₹ in Lakhs	Number	Median Remuneration/salary/wages of respective category ₹ in Lakhs
Board of Directors (BOD)	1	157.23		Nil
Key Managerial Personnel	5	55.44	1	**19.81
Employees other than BOD and KMP	46	20.76	11	10.88
Workers	-	-	-	-

* Median remuneration as mentioned above covers only Executive Director. PRP for FY 2020-21 & FY 2021-22 has been paid during the year to the Executive Director. Non-Executive Directors are paid sitting fee.

**Joined on 17 November 2022

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

The Company believes in respecting its employees human rights and recognizing their need for respect & dignity. We are devoted to fair labour practices and free speech, which are backed by company-wide value system. The HR head along with GRO is responsible for addressing the same.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Any employee can voice all types of issues and violations to the internal complaints committee through GRO, which take immediate remedial measures to ensure that such violations must not occur in future.

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at Workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

PFS believes in providing a safe, non-hostile and harassment free work environment at its workplace. It follows a zero-tolerance approach towards sexual harassment at workplace. Also, the Code of Conduct of the Company requires employees to behave responsibly in their action and conduct.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

No.

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or Statutory authorities or third parties)
Child Labour	100% The Company undertook internal assessment through its HR function.
Forced/involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others-please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not applicable.

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

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY 2023	FY 2022
Total electricity consumption (A)	204,263 kWh	164,492 kWh
Total fuel consumption (B)	-	
Energy consumption through other sources (C)	543 kWh	555 kWh
Total energy consumption (A+B+C)	204,806 kWh	165,047 kWh
Energy intensity per rupee of turnover (Total energy consumption/ million rupees of turnover)	25.69	17.03

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – NO.

2. **Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not Applicable

3. **Provide details of the following disclosures related to water**

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	2.80	2.60
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2.80	2.60
Water intensity per rupee of turnover (Water consumed / million rupees of turnover)	0.000351	0.000268

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   No, the company is a Non Banking Financial Company and owing to the nature of business, the Company has not implemented a mechanism for Zero Liquid Discharge.

5. **Please provide details of air emissions (other than GHG emissions) by the entity.**

Parameter	UoM	FY 2022-23	FY 2021-22
NOx	Metric Tonne	Nil	Nil
SOx	Metric Tonne	Nil	Nil
Particulate matter (PM)	PPM	Nil	Nil
Persistent organic			
pollutants (POP)	-	Nil	Nil
Volatile organic			
compounds (VOC)	-	Nil	Nil
Hazardous air			
pollutants (HAP)	-	Nil	Nil
Others – please specify	-	-	-

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Parameter	FY 2022-23	FY 2021-22
Total Scope 1 emissions Metric tonnes of CO_2 equivalent	190	153
Total Scope 2 emissions Metric tonnes of CO_2 equivalent	218	192
Total Scope 1 and Scope 2 emissions (per million rupees of turnover)- ₹ million/ton	408	345

7. **Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.**

   The Company had commissioned a 6 MW Wind power project in Karnataka which has been contributing in reduction of the GHG by mitigating around 14000 tons of CO2 equivalent every year through its operations. The company is proactive in implementing energy-saving measures in its operations and minimizing the operational footprint, such as replacing traditional lighting with energy-efficient LED lights and 5 star-rated air conditioners, etc. Also smart lightning and switching ensures electrical devices like Computer, Lights etc switch off automatically when not in use during extended period of time. The measures provided the business with numerous advantages while also making a further contribution to the reduction of the effects of climate change on people and the environment.

8. **Provide details related to waste management by the entity**

   Not applicable since PFS is not into manufacturing or power production.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Plastic Waste, Paper Waste generated by the organization are disposed responsibly by adopting sustainable waste management practices. The company takes initiatives for the safe disposal of E-Waste if any generated by handling the wastes to authorized recyclers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not Applicable, as the Company does not have offices in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes, the Company is compliant with all applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules and there were no instances of non-compliances with the above laws in the reporting year.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1 a. **Number of affiliations with trade and industry chambers/associations.**

We have one such association at present

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	India Infrastructure Forum	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
Not Applicable		

There are zero incidents of anti-competitive behavior or corruption within Anant Raj during the reporting period.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not applicable.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable.						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has internal complaints committee to address sexual harassment cases and other complaints of employees, customers wherein Any issue which is unresolved or needs management intervention is escalated to the respective business heads.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	NA	NA

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company Grievance Redressal policy for Customers (in line with regulatory requirement) and procedure for resolution of any compliant..

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The Company does not have any specific consumer products
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23	Remarks		FY 2021-22	Remarks	
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	-	N/A
Forced recalls	-	N/A

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.**

   Not applicable.

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 believe in adopting good corporate practices for conducting business ethically and are dedicated to fulfilling the ambitions of all of our stakeholders. Examples of this include strong credit ratings, efficient governance practices, and a productive work environment. Promoting and upholding accountability, openness, and integrity at all the levels of management is the essence of corporate governance. In order to achieve the expectations in managing the company and its resources effectively with the highest standards of ethics, professionals must enhance their levels of competence and capability.

A code of conduct for all of the Company's employees, including Directors, has been enacted. In addition to evaluating the performance of its regular employees, PFS has established a performance evaluation process for its executive and non-executive directors that appropriately takes into account the responsibilities of independent directors as outlined in the Companies Act of 2013 (the "Act"). The Company's website has these codes available. Additionally, PFS has put in place a system called the "Whistle Blower Policy" that allows staff members to alert management to any instances of fraud, dishonesty, or other transgressions of the organization'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.

PFS is committed to achieve the best standards of Corporate Governance. Through the establishment of an independent Board with eminent experts, the creation of a core team of senior executives, the hiring of qualified individuals throughout the organization, and the implementation of best practices in systems and processes, the Company has created a solid foundation for making corporate governance a way of life. PFS has made an effort to not only adhere to legal and regulatory requirements but also implement principles of high standard of ethics in business.

A Report in line with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

2. Board of Directors

The Board of Directors of PFS provide leadership and strategic guidance, objective judgement to the Company. 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.

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 Independent Woman Director, as per the requirements of Regulation 17 of SEBI Listing Regulations.

As on March 31, 2023, the Company's Board comprised of 6 (six) Directors, out of which, 1 (one) is Managing Director & Chief Executive Officer, and 5 (five) are Non- Executive Directors including 2 (two) Non-Executive Nominee Directors and 3 (three) Independent Directors, as follows:

S. No.	Name of Director	Category	Remarks
1	Shri Rajib Kumar Mishra	Chairperson and Non- Executive Director	Nominee Director of PTC India Limited (Promoter Company) (Chairperson related to Promoter)
2	Dr. Pawan Singh*	Managing Director & Chief Executive Officer	
3	Shri Pankaj Goel	Non-Executive Nominee Director	Nominee Director of PTC India Limited (Promoter Company)
4	Shri Naveen Bhushan Gupta	Non-Executive Independent Director	Appointed w.e.f. 15th November 2022
5	Smt. Seema Bahuguna	Non-Executive Independent Director	Appointed w.e.f. 15th November 2022
6	Smt. PV Bharathi	Non-Executive Independent Director	Appointed w.e.f. 15th November 2022
Change subsequent to March 31, 2023:			
1	Shri Mahendra Lodha*	DF & CFO (MD & CEO- Add In-charge)	Appointed w.e.f 14th June 2023

** Pursuant to the direction of RBI and the decision taken by the Board in its meeting held on 20.06.2023, Shri Mahendra Lodha, Director (Finance) & CFO, took over the functions and responsibilities of the MD&CEO w.e.f. 20.06.2023 till the regular MD&CEO is appointed and Dr. Pawan Singh, proceeded on leave till his superannuation.*

Notes:

1. Dr. Rajib Kumar Mishra (DIN: 06836268) and Mr. Pankaj Goel (DIN: 03006647), were appointed as Nominee Directors of PTC India Limited (Promoter Company) on the Board of Company w.e.f. 8th November, 2021, which was subsequently approved by the members of the Company at their Annual General Meeting held on December 30, 2022.
2. Smt. Seema Bahuguna (DIN: 09527493), Smt. PV Bharathi (DIN: 6519925) and Mr. Naveen Bhushan Gupta (DIN: 00530741) appointed as Independent Directors of the Company for a term of three (3) consecutive years commencing from 15th November 2022.
3. Sh. Ramesh Narain Misra, ceased to be the Independent Director of the Company on completion of his term on December 30, 2022.
4. Sh. Devendra Swaroop Saksena and Sh. Jayant Purushottam Gokhale , Independent Directors of the Company resigned from the directorship w.e.f. December 02, 2022.
5. Smt. Sushama Nath, Independent Director of the Company resigned from the directoship w.e.f. November 22 , 2022.
6. After the closure of financial year, on the recommendation of Nomination & Remuneration Committee and Audit Committee, the Board of Directors on April 28, 2023 has approved the appointment of Sh. Mahendra Lodha (DIN 01295859) as an Additional Director and designated him as Director (Finance) & Chief Financial Officer for a period of five (5) years or upto the date of attaining superannuation, whichever is earlier, which is effective from June 14, 2023.

b) Key skills/expertise/competence of the Directors

The Board comprises of 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 as on 31st March 2023 are 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 terms and conditions of the appointment of Independent Directors have been disclosed on the Company's website at :-

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

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

During the period under review, 3 (three) directors have resigned from the Company and 1 (one) director ceased to be a director on completion of his term, the requisite details of which have been duly intimated to the Stock Exchanges in compliance with Regulation 30 of SEBI Listing Regulations. The reason(s) for their resignations are mentioned herein below:

S. No.	Name of the Director	Date of Resignation	Reason(s) for Resignation
1.	Shri Ramesh Narain Misra	December 30, 2022	Completion of tenure as an Independent Director
2.	Shri Devendra Swaroop Saksena	December 02, 2022	The Directors cited lapses in corporate governance and compliance. The resignation letters of Independent Director containing detailed reason thereto along with the PFS response on the same can be accessed via www.ptcfinancial.com.
3.	Shri Jayant Purushottam Gokhale		
4.	Smt. Sushama Nath	November 22, 2022	Crossing of eligibility age. Further, the detailed reasons for resignation were mentioned by them in their resignation letters which were intimated to the Stock Exchange on 24th November 2022 along with the PFS response on the same. Further the director mentioned that there were no other material reasons other than those mentioned in her resignation letter.

e) Board Meetings

26 (Twenty Six) Board Meetings were held during the financial year ended on 31st March 2023 i.e:

April 06, 2022	April 28, 2022	May 16, 2022	May 26, 2022	June 25, 2022	July 16, 2022
August 05, 2022	August 13, 2022	August 25, 2022	September 16, 2022	September 21, 2022	October 11, 2022
October 22, 2022	October 25, 2022	November 07, 2022	November 13, 2022	November 15, 2022	November 26, 2022
December 03, 2022	December 09, 2022	January 11, 2023	January 18, 2023	February 03, 2023	February 04, 2023
March 13, 2023	March 30, 2023	-	-	-	-

It is hereby affirmed that 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) and attendance of Directors at Board Meetings and at Annual General Meeting held during FY 2022-23 are provided below:

S. No.	Name of Director	Category of Director	Board Meetings in FY 2022-2023		Attendance at last AGM (held on 30th December 2022)	No. of Directorships in public companies including this listed entity held as on 31st March 2023	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity as on 31st March 2023	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity as on 31st March 2023
			Held during the tenure	Attended				
1.	Shri Rajib Kumar Mishra	Chairperson and Non- Executive Nominee Director	26	26	Yes	5	NIL	NIL
2.	Dr. Pawan Singh	Managing Director & Chief Executive Officer	26	26	Yes	2	NIL	NIL
3.	Shri Pankaj Goel	Non-Executive Nominee Director	26	26	Yes	1	2	NIL
4.	Mr. Naveen Bhushan Gupta ^	Non-Executive Independent Director	9	9	Yes	1	2	2
5.	Smt. Seema Bahuguna ^	Non-Executive Independent Director	9	9	Yes	3	1	0
6.	Smt. PV Bharathi ^	Non-Executive Independent Director	9	9	Yes	4	2	0
7.	Mrs. Sushama Nath*	Non-Executive Independent Director	17	14	NA	NA	NA	NA
8.	Shri Ramesh Narain Misra**	Non-Executive Independent Director	20	20	Yes	NA	NA	NA
9.	Shri Devendra Swaroop Saksena***	Non-Executive Independent Director	18	16	NA	NA	NA	NA
10.	Shri Jayant Purushottam Gokhale***	Non-Executive Independent Director	18	16	NA	NA	NA	NA
Change subsequent to March 31, 2023:								
1.	Shri Mahendra Lodha$	Director (Finance) & CFO (MD&CEO-Add Charge)	-	NA	NA	2	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 other public Companies including Directorships and committee memberships in PFS.

^ Appointed w.e.f. 15th November, 2022

$ Appointed w.e.f. 14th June 2023. Further pursuant to the direction of RBI and the decision taken by the Board in its meeting held on 20.06.2023, Shri Mahendra Lodha, Director (Finance) & CFO, took over the functions and responsibilities of the MD&CEO w.e.f. 20.06.2023 till the regular MD&CEO is appointed and Dr. Pawan Singh, proceeded on leave till his superannuation.

**Resigned w.e.f. 22nd November, 2022*

***Ceased from directorship w.e.f. 30th December, 2022*

****Resigned w.e.f. 2nd December, 2022*

Notes:

None of the Directors are members in more than 10 (ten) committees or act as Chairperson of more than 5 (five) committees across all the companies where he or she is a Director excluding private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Companies Act, 2013. For the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered.

g) Name of other listed entities (excluding PFS/ the Company) in which our Directors are Director as on 31st March 2023 and their skill/ expertise/ competence are provided below:

S. No.	Name of Director	Name(s) of the other Listed Companies in which Directorship held	Skill/ Expertise/ Competence	Category
1	Shri Rajib Kumar Mishra	PTC India Limited	Power Sector	Chairperson and Non- Executive Director
2	Dr. Pawan Singh	-	Vast experience in Management, Power Sector & Infra Finance.	Managing Director & Chief Executive Officer
3	Shri Pankaj Goel	-	Treasury, Project Finance, Internal Financial Control, budgeting and financial concurrence	Non-Executive Nominee Director
4	Shri Naveen Bhushan Gupta	-	Accounting, Finance, resource mobilizing	Independent Director
5	Smt. Seema Bahuguna	-	formulation, development and implementation of policies, strategies and programs	Independent Director
6	Smt. PV Bharathi	IDBI Bank Limited	Infrastructure financing and risk management	Independent Director
Change subsequent to March 31, 2023:				
1.	Shri Mahendra Lodha*	-	Managing Private Equity / Venture Capital/ Alternative investment Funds / Fund of Funds, Investment banking, Project Finance etc	Director (Finance) and CFO

*Pursuant to the direction of RBI and the decision taken by the Board in its meeting held on 20.06.2023, Shri Mahendra Lodha, Director (Finance) & CFO, took over the functions and responsibilities of the MD&CEO w.e.f. 20.06.2023 till the regular MD&CEO is appointed and Dr. Pawan Singh, proceeded on leave till his superannuation

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

i) **Detail of shareholding of Non- Executive Directors in the Company as on 31st March 2023 are as under:**

As on 31st March 2023, none of the Non – Executive Directors hold any shares/ convertible instruments of the Company.

j) **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'). Further, in terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, all the Independent Directors have passed or were exempted 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.

k) **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

l) **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 was held during the financial year 2022-23 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.

m) 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 or by circulation mail to all Board members as an immediate update, wherever required.

n) 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 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 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.

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

p) 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

All the Board members and Senior Management Personnel have affirmed compliance of Code of Conduct for financial year ended on 31^{st} March 2023.

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 2023 is published in this report.

q) 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/statutory Committees depending on the business needs and legal requirements. As on 31st March 2023, the committees constituted by the Board are as follows:

A. Audit Committee;

B. Nomination and Remuneration Committee;

C. Corporate Social Responsibility Committee;

D. Stakeholders Relationship Committee;

E. Risk Management Committee;

F. IT Strategy Committee; and

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

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.

v) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall also mandatorily review the following information:

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

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

c) Statement of Related Party Transactions submitted by the management

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

As on the date of this report, the Committee is chaired by Sh. Naveen Bhushan Gupta, Non-Executive Independent Director. The composition of Audit Committee and meetings attended by the members during the year under consideration are as follows:

Sr. No.	Name of Member	Designation	Status	No. of meetings held during FY 22-23	No. of meetings attended
1	Shri Naveen Bhushan Gupta*	Non-Executive Independent Director	Chairperson	19	8
2	Smt. P V Bharathi**	Non-Executive Independent Director	Member	19	8
3	Shri Pankaj Goel	Non-Executive Nominee Director	Member	19	19
4	Shri Ramesh Narain Misra***	Non-Executive Independent Director	Member	19	13
5	Smt. Sushama Nath$	Non-Executive Independent Director	Member	19	9
6	Shri Devendra Swaroop Saksena^	Non-Executive Independent Director	Member	19	9
7	Shri Jayant Purushottam Gokhale^	Non-Executive Independent Director	Past Chairperson	19	11

**Appointed as member & Chairman of the Committee w.e.f. November 26, 2022*

*** Appointed as member w.e.f. November 26, 2022*

**** Appointed as member w.e.f. April 6, 2022 and ceased to be director on December 30, 2022*

$ Appointed as member w.e.f. April 6, 2022 and resigned from the directorship w.e.f. November 22, 2022

^ Appointed as member w.e.f. April 6, 2022 and resigned from the directorship w.e.f. December 2, 2022

The meetings of the Audit Committee are also attended by the Managing Director & Chief Executive Officer (CEO), 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 2023, Audit Committee met twenty (19) times i.e.

08th April 2022	26th April 2022	24th May 2022	14th July 2022	04th August 2022
16th August 2022	15th October 2022	25th October 2022	08th November 2022	11th November 2022
14th November 2022	03rd December 2022	22nd December 2022	10th January 2023	18th January 2023
25th January 2023	03rd February 2023	10th March 2023	29th March 2023	-

The necessary quorum was present for all the meetings.

The Chairperson of the Audit Committee was present at the last Annual General Meeting held on 30th December 2022 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:

a) 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;

b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

d) Devising a policy on diversity of board of directors;

e) 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.

f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Composition

As on the date of this report, the Committee is chaired by Smt. Seema Bahuguna, Non-Executive Independent Director. The composition of the Committee and meeting attended by the members during the financial year ended 31st March 2023 are as follows:

Sr. No.	Name of Committee Member	Designation	Status	No. of meetings held during FY 22-23	No. of meetings attended
1.	Smt. Seema Bahuguna[*]	Non-Executive Independent Director	Chairperson	9	4
2.	Smt. PV Bharathi[**]	Non-Executive Independent Director	Member	9	4
3.	Shri Naveen Bhushan Gupta[**]	Non-Executive Independent Director	Member	9	4
4.	Shri Rajib Kumar Mishra[$]	Non-Executive - Nominee Director	Member	9	6
5.	Shri Pankaj Goel[$$]	Non-Executive - Nominee Director	Member	9	9
6.	Shri Ramesh Narain Misra[^]	Non-Executive - Independent Director	Past Chairperson	9	6
7.	Ms. Sushama Nath[^ ^]	Non-Executive - Independent Director	Member	9	4
8.	Shri Devendra Swaroop Saksena[#]	Non-Executive - Independent Director	Member	9	5
9.	Shri Jayant Purushottam Gokhale[#]	Non-Executive - Independent Director	Member	9	5

[*] *Appointed as member & Chairperson of the Committee w.e.f. November 26, 2022*

[**] *Appointed as a member w.e.f. December 9, 2022*

[$] *Appointed as member w.e.f. April 6, 2022 and ceased to be the member w.e.f. January 11, 2023*

[$$] *Appointed as member w.e.f. April 06, 2022*

[^] *Appointed as Chairman of the Committee w.e.f. April 06, 2022 and ceased to be director on December 30, 2022*

[^ ^] *Appointed as a member w.e.f. April 6, 2022 and resigned from the directorship w.e.f. November 22, 2022*

[#] *Appointed as a member w.e.f. April 6, 2022 and resigned from the directorship w.e.f. December 2, 2022*

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2023, the Nomination and Remuneration Committee met nine (9) times i.e.

28th April 2022	05th May 2022	16th May 2022	25th June 2022	21st September 2022
22nd December 2022	18th January 2023	25th January 2023	01st March 2023	-

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 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, 2023 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 during the financial year ended 31st March 2023 is as under:

a. Remuneration to Executive Director

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager
	Dr. Pawan Singh (Managing Director & CEO)	
1	Gross salary	
	a. Salary as per provisions contained in section 17(1) of the Income – tax Act, 1961	1,46,59,066.00
	b. Value of perquisites u/s 17(2) of the Income – tax Act, 1961	6,95,554.00
	c. Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	NIL
2	Stock Option	
3	Sweat Equity	
4	Commission	
	- as % of profit	
	- others	
5	Others, Reimbursement of expenses	3,35,195.00
	Total (A)	**1,56,89,815**

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 2023.

Notice period/ service contracts/ severance fee of the directors are as per the Company policy.

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 2022-23

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 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 2023 are as under:

S. No.	Name of Director	Sitting Fee (excluding TDS) (in INR)
1	Shri Rajib Kumar Mishra (Nominee Director PTC India Ltd.)	12,80,000
2	Shri Pankaj Goel (Nominee Director PTC India Ltd.)	25,20,000
3	Shri Naveen Bhushan Gupta	9,68,000
4	Smt. Seema Bahuguna	7,20,000
5	Smt. PV Bharathi	10,82,000
6	Smt. Sushama Nath	10,40,000
7	Shri Ramesh Narain Misra	16,64,000
8	Shri Devendra Swaroop Saksena	12,00,000
9	Shri Jayant Purushottam Gokhale	12,40,000

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 broad terms of reference of Corporate Social Responsibility Committee, inter-alia, includes:

a. Formulation and recommendation 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. Recommendation the amount of expenditure to be incurred on the activities referred to in clause (a).

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

Composition

As on the date of this report, the Committee is chaired by Smt. Seema Bahuguna, Non-Executive Independent Director. The composition of the Committee as on the date of this Report and meeting attended by the members during the financial year ended 31st March 2023 are as follows:

Sl. No.	Name of Director	Designation	Status	No. of meetings held during FY 22-23	No of meetings attended
1	Smt. Seema Bahugua*	Non-Executive – Independent Director	Chairperson	3	2
2	Dr. Pawan Singh	Managing Director & CEO	Member	3	3
3	Shri Pankaj Goel^	Non-Executive – Nominee Director	Member	3	3
4	Shri Devendra Swaroop Saksena$	Non-Executive – Independent Director	Past Chairperson	3	1
Change subsequent to March 31, 2023:					
1	Shri Mahendra Lodha**	DF & CFO (MD & CEO- (Add In-charge)			
	Member	NIL	NIL		

** Appointed as member & Chairperson of Committee w.e.f. 9th December, 2022*

^ Appointed as a member w.e.f. July 16, 2022.

$ Appointed as a Chairman of the Committee w.e.f. July 16, 2022 and ceased from the directorship on December 02, 2022.

*** Appointed as a member w.e.f. July 28, 2023 in place of Dr. Pawan Singh*

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2023, the CSR Committee met three (3) times i.e. 02nd September 2022, 31st January 2023 and 10th March 2023.

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 Board's 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 period under review and meetings attended by the members during the financial year ended 31st March 2023 is as follows:

Sl. No.	Name of Member	Designation	Status	No. of meetings held during FY 22-23	No. of meetings attended
1	Shri Naveen Bhushan Gupta*	Non-Executive - Independent Director	Chairperson	1	1
2	Smt. Seema Bahuguna*	Non-Executive - Independent Director	Member	1	1
3	Shri Pankaj Goel**	Non-Executive - Nominee Director	Member	1	1
3	Shri Devendra Swaroop Saksena$	Non-Executive - Independent Director	Past Chairperson	1	NIL
5	Shri Pawan Singh$$	Executive Director	Member	1	NIL

Appointed as member w.e.f. December 9, 2022

** *Appointed as member w.e.f. July 16, 2022*

$ *Appointed as member w.e.f. July 16, 2022 and ceased w.e.f. December 02, 2022*

$$ *Appointed as member w.e.f. July 16, 2022 and ceased to be the member w.e.f. December 09, 2022*

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2023, the Stakeholders' Relationship Committee met once i.e. on 24th March, 2023.

Name & Designation of Compliance Officer

1. Ms. Shweta Agrawal, Company Secretary and Compliance Officer (w.e.f. 17th November, 2022)
2. Mr. Mohit Seth, Company Secretary and Compliance Officer (w.e.f. 25th June, 2022 upto 16th November 2022)
3. Mr. Vishal Goel, Company Secretary and Compliance Officer (till 25th June, 2022)

Details of Investor Complaints received and resolved during the year

Status of complaints from investors for the financial year ended 31st March 2023 are as follows:-

Sl. No.	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	No of complaints resolved during year
1.	0	503	1	502

*Number of complaints referred above includes complaints received in connection of Equity Shares as well as all series of debt instruments issued by the Company.

All the complaints except one which regards to "non-receipt of redemption amount of PTC Long term infrastructure bonds Series II 2011-2022" have been resolved to the satisfaction of concerned complainant. The pending Complaint later on resolved within due time.

E. Risk Management Committee

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

Terms of reference

The Risk Management Committee has been constituted under Risk Management Policy of the Company, inter-alia, 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 2023 and meeting attended by the members are as follows:

Sl. No.	Name of Director	Designation	Status	No. of meetings held during FY 22-23	No of meetings attended
1	Smt. PV Bharathi*	Non-Executive - Independent Director	Chairperson	4	1
2	Smt. Seema Bahuguna**	Non-Executive - Independent Director	Member	4	1
3	Dr. Pawan Singh	Managing Director & CEO	Member	4	4
4	Shri Pankaj Goel$	Non -Executive-Nominee Director	Member	4	4
5	Shri Ramesh Narain Misra ^	Non -Executive-Independent Director	Past Chairperson	4	3
Change subsequent to March 31, 2023:					
1	Shri Mahendra Lodha***	DF & CFO (MD & CEO-Add In-charge)	Member	NIL	NA

*Appointed as member & Chairperson of the Committee w.e.f. January 13, 2023

** Appointed as member of the Committee w.e.f. January 13, 2023

$ Appointed as a member w.e.f. July 16, 2022

^ Appointed as a member w.e.f. July 16, 2022 and ceased to be the director on December 30, 2022

*** Appointed as a member w.e.f. July 28, 2023 in place of Dr. Pawan Singh

During the financial year ended 31st March 2023, Risk Management Committee met four (4) times i.e., on

15th September 2022	10th October 2022
09th December 2022	09th March 2023

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 period under review and meeting attended by the members during the financial year ended 31st March 2023 are as follows:

Sl. No.	Name of the Director	Designation	Status	No. of meetings held during FY 22-23	No. of meetings attended
1	Smt. PV Bharathi*	Non -executive- Independent Director	Chairperson	2	1
2	Naveen Bhushan Gupta**	Non -executive- Independent Director	Member	2	1
3	Dr. Pawan Singh	Executive Director	Member	2	2
4	Pankaj Goel^	Non -executive- Nominee Director	Member	2	2
5	Jayant Purushottam Gokhale^ ^	Non -executive- Independent Director	Past Chairperson/	2	1
6	Ashish Nigam$	CIO/CTO	-	2	2

Change subsequent to March 31, 2023:

S. No.	Name of Director	Designation	Status	No. of meetings held during FY 22-23	No of meetings attended
1	Shri Mahendra Lodha***	DF & CFO (MD & CEO- Add In-charge)			
	Member	NIL	NA		

*Appointed as member & Chairman of the Committee w.e.f. December 9, 2022

** Appointed as member w.e.f. December 9, 2022.

^ Appointed as member w.e.f. July 16, 2022

^ ^ Appointed as Chairman of Committee w.e.f. July 16, 2022 and resigned from the direcroship w.e.f. December 2, 2022.

$ Sh. Ashish Nigam, CIO/CTO, is a part of Committee as a permanent invitee.

* ** Appointed as a member w.e.f. July 28, 2023 in place of Dr. Pawan Singh.

Number of Committee Meetings held during the Financial Year

During the financial year ended 31st March 2023, the IT Strategy Committee met two (2) times on:

30th September 2022	24th March 2023

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 2022	16th AGM	30th December, 2022	Friday	11:00 A.M.	Through Video Conferencing (VC)	1. To Appoint Smt Seema Bahuguna (DIN: 09527493), as an Independent Director 2. To Appoint Smt. PV Bharathi (DIN: 6519925), as an Independent Director 3. To Appoint Shri Naveen Bhushan Gupta (DIN: 00530741), as an Independent Director
31st March 2021	15th AGM	24th September 2021	Friday	11:00 A.M.	Through Video Conferencing (VC)	1. To re-appoint Shri Kamlesh Shivji Vikamsey (DIN: 00059620) as an Independent Director of the Company. 2. To re-appoint Shri Santosh Balachandran Nayar (DIN: 02175871) as an Independent Director of the Company.
31st March 2020	14th AGM	22nd September 2020	Tuesday	11:00 A.M.	Through Video Conferencing (VC)	Nil

No Extra-Ordinary General Meeting(s) were held during last three (3) years.

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

During the year ended 31st March 2023, no Special Resolution was passed through Postal Ballot.

c) Special Resolution proposed to be conducted through Postal Ballot

During the period under consideration, no special resolution is 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 2023

Date	Time	Venue
September 12, 2023	11.00 a.m.	Meeting is being conducted through Video Conferencing

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

Financial Year ended on 31st March 2023

Particulars	Date
Financial year	1st April 2022 to 31st March 2023

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 shareholders. 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 2022-23

The Board in its meeting held on May 18, 2023 has recommended a dividend to be paid @ 10% i.e. Re. 1.00 per share for FY 2022-23 subject to the shareholder's approval in the ensuing Annual general meeting of the Company.

c. Dividend History for the last five years

Sr. No.	Financial Year	Total Paid up Capital in ₹	Rate of Dividend (%)
1	2021-22	6,422,833,350	Nil
2	2020-21	6,422,833,350	Nil
3	2019-20	6,422,833,350	4.5%
4	2018-19	6,422,833,350	8%
5	2017-18	6,422,833,350	2%

d. Pay-out date for payment of Final Dividend

Dividend if declared by the members at the ensuing Annual General Meeting will be paid within a period of thirty days form the date of such meeting.

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 2022-23 (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 2023:

Sr. No.	Name	ISIN Code
1	PFS NCD Series 3	INE560K07037
2	PFS Infra Bond Series 2 Option III	INE560K07102
3	PFS Infra Bond Series 2 Option IV	INE560K07110
4	PFS NCD Series 4	INE560K07128
5	PFS NCD Series 5	INE560K07136

vii. Market Price Data

High, Low (based on daily closing prices) and number of equity shares traded during each month in FY 2023 on NSE and BSE:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-22	20.6	15.7	20.6	15.6
May-22	17.3	14	17.35	14.5
Jun-22	16.05	12.25	16.2	12.4
Jul-22	17.55	13.4	17.6	13.4
Aug-22	16.65	14.75	16.6	14.7
Sep-22	16.5	14.2	16.45	13.95
Oct-22	15.2	12.9	15.12	13.21
Nov-22	17.7	13.2	17.4	13.4
Dec-22	18.25	14.65	18.5	14.35
Jan-23	18.65	15.95	18.65	16
Feb-23	17.05	14.6	17.15	14.6
Mar-23	15.75	12.25	15.74	12.15

viii. Performance in comparison to indices

a. PFS ,Nifty and Sensex Comparison

Month	PFS Price		NIFTY	SENSEX
	NSE	BSE		
Apr-22	16.8	16.95	17,102.55	57,060.87
May-22	15.65	15.7	16,584.55	55,566.41
Jun-22	13.65	13.7	15,780.25	53,018.94
Jul-22	15.1	15.05	17,158.25	57,570.25
Aug-22	15.1	15.1	17,759.30	59,537.07
Sep-22	14.3	14.3	17,094.35	57,426.92
Oct-22	13.85	13.88	18,012.20	60,746.59
Nov-22	17.3	17.12	18,758.35	63,099.65
Dec-22	16.05	16.1	18,105.30	60,840.74
Jan-23	16.75	16.8	17,662.15	59,549.90
Feb-23	14.85	14.9	17,303.95	58,962.12
Mar-23	12.65	12.62	17,080.70	58,991.52

ix. Registrar and Transfer Agents

For Equity and Infrastructure Bonds

Name	Kfin Technologies Private Limited
Registered Office Communication Address	Kfin Technologies Limited 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 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 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**

Distribution Schedule-Consolidated as on 31st March, 2023						
Sl No	Category (Amount)	Total Cases	Total Cases %	Total Shares	Total Amount	Total Amount %
1	1-5000	81,496	66.959165	1,36,80,424	13,68,04,240	2.129967
2	5001- 10000	16,443	13.509983	1,42,22,519	14,22,25,190	2.214368
3	10001- 20000	9,989	8.207214	1,59,95,384	15,99,53,840	2.490394
4	20001- 30000	4,107	3.374415	1,07,99,817	10,79,98,170	1.681472
5	30001- 40000	2,054	1.687618	74,92,814	7,49,28,140	1.166590
6	40001- 50000	2,032	1.669542	97,58,198	9,75,81,980	1.519298
7	50001- 100000	3,112	2.556898	2,35,47,571	23,54,75,710	3.666228
8	100001& Above	2,477	2.035166	54,67,86,608	5,46,78,66,080	85.131682

Nominal Value of each Share is ₹10/-

➢ **Distribution by Category**

Shareholding Pattern As On 31/03/2023 (Total)							
Sr. No.	Description	No. of Cases	Total Shares	% Equity	No. of Cases	Total Shares	% Equity
		Without Grouping			With Grouping		
Slno	Description	No. of Cases	Total Shares	% Equity	No. of Cases	Total Shares	% Equity
1	PROMOTER & PROMOTER GROUP	1	41,74,50,001	64.99	1	41,74,50,001	64.99
2	MUTUAL FUNDS	1	6401990	1	1	6401990	1
3	FOREIGN PORTFOLIO - CORP	17	5425896	0.84	17	5425896	0.84
4	TRUSTS	8	132671	0.02	8	132671	0.02
5	RESIDENT INDIVIDUALS	109330	171139321	26.65	109330	171139321	26.65
6	PROMOTERS	1	417450001	64.99	1	417450001	64.99
7	INSURANCE COMPANIES	2	14547168	2.26	2	14547168	2.26
8	NON RESIDENT INDIANS	1344	8313256	1.29	1344	8313256	1.29
9	CLEARING MEMBERS	23	67975	0.01	23	67975	0.01
10	BODIES CORPORATES	384	8722617	1.36	384	8722617	1.36
11	NBFC	1	3500	0.00	1	3500	0.00
12	I EPF	1	42582	0.00	1	42582	0.01
13	H U F	2990	10036358	1.56	2990	10036358	1.56
	Total:	**114102**	**642283335**	**100.00**	**114102**	**642283335**	**100.00**

x. Dematerialization of shares

Through Kfin Technologies 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 2023, 99.997% 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 2023 are as under:

Category	Number of Shares	% of total equity
Dematerialised mode		
• NSDL	55,91,31,922	87.053780
• CDSL	8,31,34,470	12.943582
Total		
Physical	16,943	0.002638
Grand Total	**642283335**	**100**

i. Shares Liquidity

The trading volumes at the Stock Exchanges (i.e. NSE and BSE), during the financial year 2022-23, are given below:

Months	NSE	BSE
	Number of Shares Traded	Number of Shares Traded
Apr-22	5,62,497	53,70,336
May-22	5,43,472	16,44,132
Jun-22	1,55,149	9,31,501
Jul-22	3,23,216	26,67,948
Aug-22	3,80,521	12,74,909
Sep-22	3,55,027	12,00,280
Oct-22	NIL	9,22,478
Nov-22	NIL	34,23,803
Dec-22	5,15,465	39,55,164
Jan-23	9,17,983	45,04,144
Feb-23	8,65,673	12,65,386
March-23	10,98,331	26,06,452

ii. 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.

iii. 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.

iv. Plant locations

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

v. Address and Details for correspondence

Ms. Shweta Agrawal
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

vi. Credit Ratings

List of credit ratings obtained along with revisions during the FY 2022-23

	As on 31.03.2023		
	CRISIL	**ICRA**	**CARE**
NCD/Bonds	CRISIL A+/Watch Developing ('Rating Watch with Developing Implications')	[ICRA] A+(negative); from [ICRA] A+; rating watch with negative implications	CARE A (CW with Developing Implications) from CARE A+; Negative
Long Term Loan	CRISIL A+/Watch Developing ('Rating Watch with Developing Implications')	[ICRA] A+(negative); from [ICRA] A+; rating watch with negative implications	CARE A (CW with Developing Implications) from CARE A+; Negative
Short Term Loan	CRISIL A1+/Watch Developing ('Rating Watch with Developing Implications')	[ICRA]A1; from [ICRA] A1+; rating watch with negative implications	CARE A1 (CW with Developing Implications) from CARE A1+
Commercial Paper	CRISIL A1+/Watch Developing ('Rating Watch with Developing Implications')	[ICRA]A1; from [ICRA] A1+; rating watch with negative implications	--

Rating update from CRISIL post 31st March, 2023:

Sr. No.	Instrument	Rating update of CRISIL
1	Non-Convertible Debenture	CRISIL A+/Negative (Removed from 'Rating Watch with Developing Implications'; Rating Reaffirmed)
2	Fund based-Term Loan	CRISIL A+/Negative (Removed from 'Rating Watch with Developing Implications'; Rating Reaffirmed)
3	Fund based-Short Term	CRISIL A1 (Removed from 'Rating Watch with Developing Implications'; from 'CRISIL A1+')
4	Commercial Paper	CRISIL A1 (Removed from 'Rating Watch with Developing Implications'; from 'CRISIL A1+')

9. Compliance Certificate on Corporate Governance

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

10. 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 Notes forming part of the financial statements for FY 2022-23. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy on Materiality of Related Party Transactions and also on dealing with 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 except for the Financial Year 2021-22 and 2022-23. The same pertains to the period when IDs resigned and the Company was not able to constitute its committees and finalize its financial results. The penalties imposed or strictures passed against the Company by the statutory authorities on the matters related to capital markets, during the last three years are herein below mentioned. Further, the Company has duly paid the penalties/fines as levied by the stock exchanges. Details of such penalties/fines imposed are provided herein- under.

i. Penalties levied by BSE

Regulation reference of SEBI Listing Regulations	Quarter ended	Fine Amount (in ₹)
Regulation 19(1)/(2)	31st March 2022	44,000/-
Regulation 20(2)/(2A)	31st March 2022	1,08,000/-
Regulation 21(2)	31st March 2022	2,000/-
Regulation 52	For Quarter 3 results	45,000/-
Regulation 54	For Quarter 3 results	45,000/-
Regulation 52(4)	30th June 2022	29,000/-
Regulation 54(2)	30th June 2022	29,000/-
Regulation 33	31st March, 2022	8,50,000/-
Regulation 33	30th June, 2022	4,70,000/-
Regulation 19(1)	30th June, 2022	10,000/-
Regulation 20(2)	30th June, 2022	1,82,000/-
Regulation 21(2)	30th June, 2022	182,000/-
Regulation 20(2)/(2A)	30th Sep, 2022	30,000/-
Regulation 21(2)	30th Sep, 2022	30,000/-
Regulation 33	31st Dec, 2021	5,10,000/-
Regulation 33	30th Sep, 2022	95,000/-
Regulation 19(1)/19(2)	31st Dec, 2021	1,42,000/-
Regulation 52(4)	30th Sep, 2022	19,000/-
Regulation 54(2)	30th Sep, 2022	19,000/-
Regulation29(2)/29(3)	-	10,000/-

ii. Penalties levied by NSE

Regulation	Quarter	Fine Amount (in ₹)
Regulation 33	31st December 2021	1,40,000/-
Regulation 19(1)/(2)	31st March 2022	44,000/-
Regulation 20(2)/(2A)	31st March 2022	1,08,000/-
Regulation 21(2)	31st March 2022	2,000/-
Regulation 52	For Quarter 3 results	29,000/-
Regulation 54(2)/(3)	For Quarter 3 results	29,000/-
Regulation 52(4)	30th June 2022	29,000/-
Regulation 54(2)	30th June 2022	29,000/-
Regulation 33	31st March, 2022	8,50,000
Regulation 19	31st March, 2022	44,000/-

Regulation	Quarter	Fine Amount (in ₹)
Regulation 20	30th June, 2022	1,82,000/-
Regulation 20	31st March, 2022	1,08,000/-
Regulation 21	30th June, 2022	1,82,000/-
Regulation 21	31st March, 2022	2000/-
Regulation 20(2)/(2A)	30th Sep, 2022	30,000/-
Regulation 21(2)	30th Sep, 2022	30,000/-
Regulation 33	30th June, 2022	5,45,000/-
Regulation 33	30th Sep, 2022	95,000/-
Regulation 52(4)	30th Sep, 2022	19,000/-
Regulation 54(2)	30th Sep, 2022	19,000/-
Regulation29(2)/29(3)	-	10,000/-

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 / Whistle Blower Policy 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/ Non Mandatory requirements

In addition to the compliance with mandatory requirements, the Company has also adopted the following non-mandatory requirements in terms of the SEBI Listing Regulations:

The Board

The Chairman of the Company is a Non- Executive Nominee Director.

Internal Auditor

The internal auditor reports directly to the Audit Committee.

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 for FY 2022-23 have been prepared in accordance with the Indian Accounting Standards (IndAS) to comply with the applicable provisions specified under Section 133 of the Companies Act, 2013.

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

Save as otherwise provided below, 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 and Schedule V of the SEBI Listing Regulations:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Details of Violation	Status	Management Response/ Comments
1.	**Regulation 18:'** Composition of Audit Committee	Regulation 18 of SEBI (LODR) Regulations, 2015	Non-compliance w.r.t composition of Audit committee	Non-compliance of composition of audit committee from 01.04.2022 to 05.04.2022.	Complied w.e.f. 06.04.2022.	As soon as the Company could appoint Independent Directors, Audit Committee was reconstituted
2.	**Regulation 19:** Composition of Nomination and Remuneration Committee	Regulation 19(1) of SEBI (LODR) Regulations, 2015	Non-compliance w.r.t composition of Nomination ad Remuneration Committee	Non-compliance of composition of Nomination and Remuneration Committee from 01.04.2022 to 05.04.2022 and from 31.12.2022 to 10.01.2023.	The Company has complied with the requirement of Regulation 19 from 06.04.2022 to 30.12.2022 and from 11.01.2023 and thereafter. Company has paid penalty amount to the stock exchanges for the period of non-compliance.	As soon as the Company could appoint Independent Directors, NRC was reconstituted, thereafter on the completion of term of one of the ID, the NRC was constituted in the immediate following Board Meeting
3.	**Regulation 20(2)/(2A):** Composition of Stakeholders Relationship Committee	Regulation 20(2)/(2A) of SEBI (LODR) Regulations, 2015	Non-compliance w.r.t composition of Stakeholders Relationship Committee	Non-compliance of composition of Stakeholders Relationship Committee from 01.04.2022 to 15.07.2022.	The Company has Complied w.e.f. 16.07.2022 and paid penalty amount to the stock exchanges for the period of non-compliance.	As soon as the Company could appoint Independent Directors, Stakeholders Relationship Committee was reconstituted
4.	Regulation 21: Composition of Risk Management Committee	Regulation 21 of SEBI (LODR) Regulations, 2015	Non-compliance w.r.t composition of Risk Management Committee	Non-compliance of composition of Risk Management Committee from 01.04.2022 to 15.07.2022 and from 31.12.2022 to 12.01.2023.	The Company has Complied from 16.07.2022 to 30.12.2022 and from 13.01.2023 and thereafter and has paid penalty amount to the stock exchanges for the period of non-compliance.	As soon as the Company could appoint Independent Directors, RMC was reconstituted, thereafter on the completion of term of one of the ID, the RMC was constituted in the immediate following Board Meeting

12. 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.

13. 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

14. 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 Lakhs)**
Services as statutory auditors (incl. quarterly limited reviews)	11.00
Tax audit	2.16
Other matters (certification and reporting)	8.18
Re-imbursement of out of pocket expenses	0.80
Quarterly Audit/ Limited review report	**19.62**
Total	**41.76**

15. 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 2023.

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 provided in the notes to financial statements.

Further, during the year under review, the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loan, secured or unsecured to companies, firms and limited liability partnership(s) or any other parties in which directors are interested by name and amount.

16. Particulars of senior management (excluding the Board of Directors) including the changes therein since the close of the previous financial year:

Name	**Designation**	**Date of joining as / becoming SMP in Company**	**Date of Cessation/ Change**
Sh. S Siva Kumar	Executive Director (Credit Appraisal	20.03.2023	-
Sh. Vijay Kumar Bisht	Executive Director (Project Monitoring &Disbursement & Recovery)	22.07.2022	Retired on 28.02.2023
Sh. Sanjay Rustagi	Chief Financial Officer Sr. VP Finance	03.10.2018 14.06.2023	14.06.2023
Smt. Shweta Agrawal	Company Secretary & Compliance Officer	17.11.2022	-
Sh. Mohit Seth	Company Secretary & Compliance Officer	25.06.2022	Resigned w.e.f. 17.11.2022
Sh. Vishal Goyal	Company Secretary & Compliance Officer	01.08.2008	Resigned w.e.f. 25.06.2022
Sh. Devesh Singh	Chief Risk Officer	26.06.2019	-
Sh. Sovan Singh	Head Internal Audit	19.01.2023	-

Further, in terms of Regulation 30A of SEBI Listing Regulations, there no such agreements which are required to be disclosed in the Annual Report.

18. 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 2023.

No. of Complaints pending at the beginning of the year	**No. of Complaints received during the year 2022-23**	**No. of Complaints disposed off during the year 2022-23**	**No. of Complaints pending at the end of FY 2022-23**
Nil			

19. 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.

20. 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	NIL
2	Number of Shareholders who approached issuer for transfer of shares from suspense account during the year	NIL
3	Number of shareholders to whom shares were transferred from suspense account during the year	NIL
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL

Rajib Kumar Mishra

Chairman

Declaration of Code of Conduct

I hereby confirm that the Company has received a confirmation from all the members of the Board and Senior Management, for the financial year ended March 31, 2023, that they are in compliance with the Company's Code of Conduct.

For PTC India Financial Services Ltd.

Date: 18.05.2023
Place: New Delhi

Dr. Pawan Singh
(Managing Director & CEO)

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: 18-05-2023

We Certify to the Board that:-

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 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/-	Sd/-
Dr. Pawan Singh	Sanjay Rustagi
MD&CEO	**CFO**

Place: New Delhi

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

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 the conditions of the Corporate Governance by **PTC INDIA FINANCIAL SERVICES LIMITED** ("the Company") for the Financial Year ended 31st March, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "Listing Regulations"].

The compliance of the conditions of the Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither audit nor an expression of the 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 the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned "Listing Regulations" *except Independent Directors had not been confirmed by Shareholders within 3 months as required under provision of the SEBI (LODR). However, email dated June 28, 2022 received form SEBI reiterated that "SEBI has provided a specific action to the company vide SEBI email dated May 13, 2022- "PFS is advised to* ***not change the Structure and Composition of PFS Board****, till the completion of forensic audit and submission of report by RMC of PTC India Limited and delay in the compliances under Regulation 33 of SEBI LODR, 2015 for the period ending March 31,2022 till quarter period ended September 30,2022. as applicable during the year ended 31st March, 2023.*

We further state that such compliance 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 DWIVEDI & ASSOCIATES
COMPANY SECRETARIES

CS Awanish Kumar Dwivedi
Mem ership No.: F8055
CP No.: 9080
UDIN: F008055E000655141
Place: New Delhi
Date: 21.07.2023
Peer Review Certificate
No. 1632/2021

CERTIFICATION OF NON-DISQUALIFIACTION 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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PTC INDIA FINANCIAL SERVICES LIMITED** having **CINL65999DL2006PLC153373** 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 me 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(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.inas considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 315t March, 2023 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	PAWAN SINGH*	00044987	01/02/2012
2	PANKAJ GOEL	03006647	08/11/2021
3	RAJIB KUMAR MISHRA	06836268	08/11/2021
4	NAVEEN BHUSHAN GUPTA	00530741	15/11/2022
5	BHARATHI	06519925	15/11/2022
6	SEEMA BAHUGUNA	09527493	15/11/2022

* He was appointed as a whole-time director from the period of 01.02.2012 till 02.10.2018 and he was appointed as Managing Director & CEO w.e.f. 03.10.2018.

Ensuring the eligibility of for 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.

C.S. Awanish Dwivedi
Memb. No.: F8055; CP No.: 9080
Peer Review Certificate No. 1632/2021
UDIN: F008055E000655196

Place : New Delhi
Date : 11.05.2023

MANAGEMENT DISCUSSION ANALYSIS

Industry Scenario

"Entities such as PTC India Financial Services Ltd have been attempting to look beyond opportunities in the power sector and create a pan infrastructure portfolio with limited success." (Excerpts from the Report of the Task Force National Infrastructure Pipeline (NIP) of Niti Ayog)

India is the fastest-growing trillion-dollar economy in the world after USA, China, Japan and Germany, driven by key structural reforms and further reduction in external vulnerabilities. As India celebrates its 75th anniversary of independence, the country is developing into a significant player in the world economic system. India has the fifth-largest economy in the world, and the country has a promising future. It is impossible to overstate how important infrastructure is to economic progress. The key to acceleration and long-term sustainability of economic growth is to invest in high-quality infrastructure. This benefits the productivity and efficiency of Indian manufacturing enterprises, according to the empirical findings. It also encourages agricultural and rural development and plays a key part in reducing poverty. Additionally, empirical data supports the idea that India's infrastructure will contribute to the country's overall economic growth.

India's GDP growth has been 7.2% in fiscal year (FY) 2023 and expected to grow at 6.5% in FY2024, supported by increased public investment in infrastructure and a pickup in private investment. Power, roads, telecommunications, railways, irrigation and urban infra accounted for ~95% of the infrastructure investment. Centre and States are the major funding sources with participation from the private sector. Under Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to ₹ 10 lakh crore (US$ 122 billion), which would estimate 3.3% of GDP and almost three times the outlay in 2019-20.

India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching COVID-19 vaccinations. The Government of India's policy to improve logistics infrastructure, incentives to facilitate industrial production, and measures to improve farmers' income will support the country's accelerated recovery. Government of India has retained its focus on fiscal consolidation and implemented structural reforms for further growth in the infrastructure sector in general.

A new evaluation of the prospects for the world economy is being conducted amid the unsettling calm that currently reigns. Global financial markets' volatility has decreased, while threats to financial stability from banks failing in some industrialized economies have increased. Following its resilience to numerous and frequently converging shocks in 2022, including the war in Ukraine, persistently elevated food and energy inflation, and the tightening of financial conditions in response to aggressive and synchronized monetary policy tightening worldwide, available projections point to a weaker outlook for the global economy in 2023 and 2024. High debt levels caused great distress in the weakest nations.

Infrastructure development is essential for India is to achieve its goal of having a $5 trillion economy by 2025. In order to boost the growth of the infrastructure industry, the government has introduced the National Infrastructure Pipeline (NIP), along with other programs like "Make in India" and the production-linked incentives (PLI) programme. Historically, funding for transportation, energy, and water and irrigation has accounted for more than 80% of the nation's infrastructure spending.

In Dec 2019, Government of India has envisaged expenditure of ₹ 102 Lakh crore on Infrastructure till FY2025 under National Infrastructure Pipeline (NIP). The projects will be implemented in the next five years as part of the government's spending push in the infrastructure sector. To achieve the GDP target of $5 trillion by 2024-25, India needs to spend about $1.4 trillion (₹ 100 Lakh crore) over this period on infrastructure. In March 2022, the government has increased the number of projects under NIP from existing from 6,835 to 9,335 projects cumulatively costing ~ ₹ 132 lakh crore till fiscal 2025, to build infrastructure projects and drive economic growth, energy, roads, railways and urban projects are estimated to account for the bulk of projects (around 70%) etc.

Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

With the aim to achieve a US$ 5 trillion GDP, and to steer the Indian economy for the next 25 years under the aegis of PM Gati-Shakti, infrastructure development shall be key area of capex outlay. The increase in Budget outlay by 35.4% (from ₹ 5.54 lakh crores to ₹ 7.50 lakh crores in FY 2022-23) reflects the Government's commitment for economic growth and sustainable development. Out of the above, the government has allocated ₹ 1 trillion for providing 50-year tenure interest-free loans to the state governments for catalyzing investments which would further lead to creation of infrastructure projects at the local level.

A major component of the government's campaign to create an Atmanirbhar Bharat is the PLI Schemes. The PLI Scheme is made to encourage increased production for a small number of suitable anchor businesses in each of the chosen sectors who will spend money on R&D, equipment, and technology. The formation of a broad supplier base for the anchor units developed under the strategy, which will result in a significant increase in primary and secondary job opportunities, will have positive spillover effects as well. The programs are anticipated to enhance output by approximately ₹ 40 lakh crore and create an additional 60 lakh jobs in 14 different industries over the course of the next five years.

The Government's policy to increase private sector participation, with the Government permitting 100% Foreign Direct Investment (FDI) has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. 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. The mix of Public Private Participation model is continuously increasing, thereby, increasing confidence, support and investment in the infrastructure sector.

Increased infrastructure spending gives the economy's potential growth a vital boost. Through an increase in capital spending, the government has recently given infrastructure investment and development a stronger push. This drive has taken place during a period of economic crisis when private sector capital spending has been restrained. From ₹ 5.5 lakh crore in FY-22 to ₹ 7.5 lakh crore in 2022-23 (BE), the outlay (goal) for capital spending saw a dramatic increase of 35.4%.

The Public Private Partnership Appraisal Committee (PPPAC), the apex body for appraisal of PPP projects in the Central Sector has streamlined appraisal mechanism to ensure speedy appraisal of projects, eliminate delays, adopt international best practices and have uniformity in appraisal mechanism and guidelines. The PPPAC is chaired by Secretary, Department of Economic Affairs (DEA) with Secretaries of Department of Expenditure, Department of Legal Affairs, the Sponsoring Ministry/Department and CEO, NITI Aayog as members to consider and appraise the proposals for Central Sector PPP Projects. The Public Private Partnership Appraisal Committee has cleared 79 projects with a total project cost of ₹ 2,27,268 crore from FY15 to FY23.

NBFCs have grown in importance in recent years, playing an essential role in providing finance to individuals and enterprises that are underserved by traditional banks. This is particularly true in rural and semi-urban areas, where NBFCs have filled the void left by banks. The flexibility of NBFCs to be flexible in their lending processes is one of their primary advantages. Unlike banks, which have rigid lending criteria, NBFCs can be flexible in their lending operations to suit the requirement of their clients. This has made them an appealing choice for people seeking more personalized financial services. They are financial institutions that offer a variety of banking services such as loans, credit facilities, and investments.

The Report of the Task Force National Infrastructure Pipeline (NIP) expects that out of the total sources of funding for the National Investment pipeline, 15%-17% of the funding is expected to come from the NBFCs and the balance is expected to come from a judicious mix of Centre-State Budget, PSU's, Banks, Equity, Bond markets etc. Capital outlay by Public Sector NBFCs are therefore projected to grow at 12% and the private sector NBFCs are projected to grow at 15% given the lower base. 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.

In the last few years, NBFCs have contributed more to infrastructure lending than banks. As India's economy grows further, requirement for credit is bound to surge, and NBFCs, along with banks, can act as the key credit facilitators, which is likely to give a strong push to the growth and development of the Indian economy. Infrastructure Finance Companies (IFCs) are likely to post 10%-12% loan growth in FY23 on rising credit demand and renewed government efforts to revive public works projects.Banks are lending to NBFCs again, thanks to increased credit demand and better asset quality, which is causing an increase in lending. In March 2023, bank lending to NBFCs increased by 30.2% year over year to ₹ 13.3 lakh crore). This is because of increased loan demand, stable asset quality trends, and improved collection effectiveness.

In addition to developing world class infrastructure, our country is also committed to meeting its commitments under the Nationally Determined Contributions (NDCs) submitted by countries under the Paris Agreement of the United Nations Framework Convention on Climate Change (UNFCCC) which represent pledges on climate action that seek to limit global warming to well below 2°C, preferably to 1.5°C, over pre-industrial levels. Thus a balance between development and growth leading to sustainable development has not only remained a buzzword but has become a modus operandi for many businesses across the globe.

Climate change has today emerged as an unprecedented existential crisis. Emerging countries like India will need greater access to green finance and appropriate green instruments to facilitate this transition particularly to support climate change vulnerabilities. As overwhelming as the challenges are, PFS's unshakable belief that business possesses immense capability to make a transformational contribution has become a driving force behind making sustainability the bedrock of our business strategy, leading towards sustainable and inclusive growth in a unified dimension. PFS has been a carbon positive company for the last decade and is driven by the commitments under the nationally determined contributions. Pursuing a proactive strategy of decarbonization PFS is increasing its renewable energy footprint in answering green infrastructure by scaling up carbon neutral projects and ensuring in all our business verticals. PFS is now scaling up the efforts in E-mobility sector which would enable us to move a step closer towards meeting our Country's ambitious targets under the NDCs sustainable development goals within the energy, transportation, roads and water treatment projects.

PFS over the years has moved away from the traditional power business of thermal and hydro and built a book around green and sustainable business and other govt focused sectors such as ports, transmission, HAM Road projects etc. The focus will continue to be on green sustainable sunshine sector. While a large part of AUM constitutes renewable and road business, with the advent of new sectors like E-mobility, water management; waste of energy; HAM projects in various sectors including road, water; airports; ports; transmission and many more. Post COVID, with government focus on revival of the economy infrastructure sector will play a pivotal role and we will continue to see huge funding opportunities in this sector in the next few years.

Renewable Energy Sector Outlook

India's mission to become a $5 trillion economy hinges on rapid growth in the energy sector. Energy consumption in the country has almost doubled since 2000 and is set to grow further. This calls for huge investments over the next few years. It also entails segment specific reforms in power generation, transmission and distribution and storage, to ensure uninterrupted power supply to urban and rural areas and meet the massive infrastructure needs of what may soon become the world's most populous country.

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 416.05 GW as of March 2023. 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 Electricity generation during 2022-23 was 1624.158 BU as compared to 1491.859 BU generated during 2021-22, representing a growth of about 8.87%. The electricity generation target (Including RE) for the year 2023-24 has been fixed as 1750 Billion Unit (BU). i.e. growth of around 7.2% over actual generation of 1624.158 BU for the previous year (2022-23). The electricity generation target for the year 2023-24 comprising of 1324.110 BU Thermal; 156.700 BU Hydro; 46.190 Nuclear; 8 BU Import from Bhutan and 215 BU RES (Excl. Large Hydro).

According to the amended Nationally Determined Contributions (NDC), India is now committed to achieving around half of total installed capacity from non-fossil fuel-based energy resources by 2030. As of May 2023, the country had deployed a total of 173.61 GW of renewable energy capacity. Furthermore, projects with a total capacity of about 82 GW at various stages of implementation and about 41 GW under tendering stage. This includes 64.38 GW Solar Power, 51.79 GW Hydro Power, 42.02 GW Wind Power and 10.77 GW Bio Power. India ranks fourth in the world in terms of renewable energy installed capacity, fourth in wind power capacity, and fourth in solar power capacity.

One of the key pillars for the inclusive sustainable growth of the nation is generation of power from renewable sources which is crucial for the economic growth and sustainable development. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition mainly through renewable sources in the country.

India has set up an ambitious target of 280 GW of installed solar capacity by 2030. India is likely to add an estimated 20 GW of renewable energy in FY24, Further, The government has also decided to invite bidders to bid on 50 GW of renewable energy capacity per year for the next five years i.e., from FY-24 till FY-28. These annual bids of ISTS (Inter-State Transmission) connected renewable energy capacity will also include development of wind power capacity of at least 10 GW per annum. Commitments made at the COP26 summit such as increasing non-fossil fuel power capacity to 500 GW and meeting 50 percent energy requirement through renewables by 2030, strengthen prospects for the renewable energy sector. There remains large under-development solar, wind and hybrid capacities of more than 55 GW.

The India Renewable Sector is having limitation in terms of India's grid infrastructure, which requires a significant revamp to accommodate the fluctuating and intermittent nature of power from renewables. Other major challenges are India's EPC capability to carry out execution of solar and wind projects at a scale of 50s to 100s of GW per year, acquisition of land for large scale renewable projects where India owns fertile land farms for agricultural use. The availability of adequate funding avenues at cost competitive rates remains critical to achieve these capacity targets.

Govt. of India made an additional allocation of ₹ 19,500 crore in the budget for PLI scheme for domestic manufacture of high efficiency modules (with priority to fully integrated manufacturing units from polysilicon to solar PV modules) which will provide further opportunities for PFS to partner in the sun-shine sector as a credible partner for the overall development of the sector.

Power Transmission Sector Outlook

The country's power transmission sector has witnessed unprecedented growth in the past five years, with line length and transformer capacity growing at an average annual growth rate of 6.5 per cent and 9.6 per cent, respectively. Further, both operational and financial performances of the transmission utilities have witnessed an improvement in the past few years. The transmission system has expanded over the years for evacuation of power for evacuation of power from generating stations to load centre through Intra State and Inter State Transmission System. With the transmission line capacity addition of 180481 ckm and transformer capacity addition of 654512 MVA from FY-15 till FY-23, the country has become one of the largest synchronous interconnected electricity grids in the world with 4,71,817ckm of transmission line and 11,85,058 MVA of transformation capacity (as on Apr'23). Besides, our inter-regional capacity increased by whopping 212% to 1,12,250 MW since 2014.

The above transmission capacity addition has benefitted in development of power sector in the country.

Further, Government of India has focused on development of green and dedicated corridor for evacuation of generated power from renewable energy projects. 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.

Ministry of Power has accepted the Recommendations of the Task Force Report to adopt the **Future-Ready Transmission System** in India. The Task Force has recommended Centralized Remote Monitoring, Operation of Substations including SCADA (supervisory control and data acquisition), Flexible AC Transmission devices (FACTs), Cyber Security, Drones & Robots in construction/inspection of transmission assets etc. A future-ready transmission system can help improve grid stability by enabling the integration of advanced technologies such as smart grids, energy storage systems, and demand response systems.

Going forward, an estimated ₹ 2.6 trillion investment is required in the transmission sector to meet future peak load. The private sector is expected to play an important role in achieving the country's grid expansion targets as competitive bidding gains momentum at both interstate and intra-state levels. Several grid expansion programmes such as the GEC and cross-border links are underway to expand the physical grid infrastructure. Further, transmission utilities, at the central and state level, are expected to invest significantly in new technologies to make grids more reliable, resilient, secure and smart. The sector is also expected to immensely benefit from major policy reforms including the Electricity Act amendments and the Tariff Policy amendments.

Roads and Highways Sector Outlook

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. In terms of the world's largest road network, India is currently second only to the United States. China has fallen to third place as India road network has grew 59 per cent in the last 9 years to become the second largest only after USA. The country's road infrastructure now stands at 1,45,240 km as compared to 91287 km in 2013-14. The share of roads sector investment in the overall infrastructure investment was ~17% between fiscals 2019 and 2022, rising at ~19% CAGR. As part of bolstering infrastructure in the country, which aims to become a USD 5 trillion economy in the coming times, building high quality roads and ensuring smooth connectivity is a key priority.

This road network delivers 60% of the country's commodities and 87% of its passenger traffic in India. National highways, expressways, state highways, main district roads, other district roads, and village roads make up India's road network. While national highway building has been a priority, state highways, district roads, and rural roads continue to account for the majority of the road network.

The market for roads and highways in India is expected to increase at a CAGR of 36.16% between 2016 and 2025, owing to increasing government measures to upgrade the country's transportation infrastructure. The National Highways Authority of India (NHAI) is expected to raise ₹ 15,000 crore via Investment Trusts (InvITs) in FY'24.

The total expenditure of the Road Transport and Highway Ministry in 2023-24 is estimated at ₹ 2,70,435 crore. This is 25% higher than the revised estimates for 2022-23. The highest expenditure (60% of the total expenditure) is towards NHAI. In 2023-24, NHAI is allocated ₹ 1,62,207 crore, all of which is budgetary support. NHAI has a high debt burden due to increased borrowings in the past few years. Upon the recommendations of several Committees, the Ministry has increased the budgetary allocation towards NHAI, and reduced its need to borrow from the market.

PM Gati Shakti National Master Plan to encompass the engines for economic transformation, seamless multimodal connectivity, and logistics efficiency. Expressways to be augmented in 2023-24 to facilitate faster movement of people and goods.

Sustainability Infra Sector Outlook

Few of the sunshine green sustainable sectors that PFS will additional focus on going forward will include e-mobility, sewage treatment, waste management etc. PFS has the policy to prioritise for new arising infrastructure sector projects and look forward to funds those projects. Green or Sustainable Infrastructure is gaining popularity which has opened the way to look for opportunities to fund new sector like E-Mobility, Sewage Treatment Plant, Waste Management projects, Desalinization of water, E-Waste Management etc. PFS is shifting its focus towards sustainable infrastructure projects.

E-Mobility: Transportation is a basic requirement of modern life. it also contributes significantly to greenhouse gas emissions. It is expected that the transportation account for around 20%-25% of all energy-related greenhouse gas emissions. It has become essential to adopt electric car to curb the carbon emission. It is also critical to transition to electric vehicles (EV) in order to satisfy national emission targets and the global 1.5-degree Celsius climate change objective. Fortunately, over 50% of Indian states have EV policies that provide perks such as monetary subsidies for EV purchases, exemption from road tax, car registration costs, and reduced EV loan interest rates. Furthermore, the policies encompass measures for public transit.

The future of E mobility is set to shift as a result of climatic change, growing fuel prices, and urban transportation issues.. According to NITI Aayog and Rocky Mountain Institute, India's EV market could touch US$152.2 billion by 2030. Moreover, about 80% of two- and three-wheelers and 50% of the country's four-wheelers would be electric vehicles. This trend demonstrates an enormous possibility for Financial Institution to look funding of viable projects. India's electric vehicle sector achieves record sales across all vehicle segments, accounting around 5.50% of total car sales. In FY 2022-23, India recorded EV sales of 12,43,258 units, representing a 154% year-on-year increase over FY 2021-22 EV sales of 4,90,210 units across all vehicle classes. EV sales in fiscal years 2022-23 are more than 2.5 times higher than in fiscal years 2021-22. In fiscal year 2022-23, 53,843 electric four-wheelers were registered, representing a 154% increase year over year. High-speed e-2 Wheelers had the greatest segment share and a Y-0-Y growth rate of 179% over FY 2021-22 sales, with 7,79,158 units sold in FY 2022-23. In fiscal year 2022-23, a total of 4,07,381 electric 3Ws were sold, up from 1,87,028 the previous year.

Transportation sector has also been identified as one of the major sectors for local pollution resulting in rise in air pollution. 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. DHI, has approved the sanction of 5,595 electric buses to 64 Cities. PFS has been a pioneer in funding one of the first projects in the electric vehicle public transportation sector by assisting manufacturing and operations of more than 350 e-Buses across 6 major cities in the country. PFS intends to leverage its experience in funding this sun-shine sector by funding more projects leading to reduction in vehicular pollution and sustainable development.

Sewage and Waste water Treatment: Rapid urbanization and industrialization have compounded the problem. As per the report published by Central Pollution Control Board (CPCB) in March, 2021, sewage generation from urban areas in the country is estimated at 72,368 million litres per day (MLD), against which sewage treatment capacity of 31,841 MLD was available.

The India wastewater treatment plants market stood at USD 2.6 billion in 2020 and is further projected to reach USD 5.3 billion by the year 2027, growing at the CAGR of 10.8% in the forecast period. India's wastewater treatment plants market is growing rapidly due to stringent government regulations in India and increasing water pollution. Further, NMCG is the Cabinet approved nodal agency has laid out a total outlay of ₹ 20,000 crore for implementing Namami Gange in India for cleaning, rejuvenation, and protection of the 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. Out of 153 sewerage infrastructure projects, 56 projects are completed which have created, ~670 MLD sewage treatment capacity and are presently in operation. There is a budgetary allocation of ₹ 65,549 crores in FY23 under various program of Sewage and Waste water Treatment across India.

Solid Waste Management: The Indian waste management market is witnessing a healthy growth rate, owing to the high population density and increased industrial activity, which is generating high amounts of wastes, both hazardous and non-hazardous. Waste Type includes Municipal Solid Waste, Hazardous Waste, E-waste, Plastic Waste, Bio-Medical Waste. The Indian waste management industry offers huge potential, as only 30% of the 75% recyclable waste is being recycled currently. Shortage of proper policies for collection, disposal, and recycling and the lack of efficient infrastructure are few of the many reasons leading to poor waste management in the country. Many companies are coming up with innovative ideas to manage wastes, as well as convert them into valuable resources. While the above sector will be the focus for PFS, the company will continue to look to diversify its portfolio in green and sustainable businesses like green hydrogen etc.

Financial and Operational Performance

In FY 2022-23 the total income decreased by 17.72% from ₹ 968.74 crore in FY 2021-22 to ₹ 797.08 crore. However, this got offset significantly by decrease in finance cost by 25.50% to ₹ 431.91 crore as compared to ₹ 579.77 crore in FY 2021-22. In FY 22-23, the Spread on earning portfolio has decreased to 2.83% from 3.00% and NIM on earning portfolio has improved from 4.19% to 4.23%. The other expenses increased by 20.52% to ₹ 20.50 crore during FY 2022-23 as compared to ₹ 17.01 crore in FY 2021-22, the increase in expenses is majorly on account of CSR expenses and resumption of normal office post uplift of covid restriction. Other income decreased by 60.93% to ₹ 6.20 crore during FY 2022-23 compared to ₹ 15.87 crore in FY 2021-22 as Company had received interest on income tax refund amounting to ₹ 15.27 crore in FY 2021-22. Provision for Impairment on Financial Instruments has decreased to ₹ 80.69 crore in FY 2022-23 from ₹ 167.85 crore in FY 2021-22.

During FY 2022-23, PFS received fresh sanctions of short-term loans of ₹ 300 crore from IIFCL which was a new lender to company. During the year, the Debt/ Equity ratio of the Company improved to 2.09 from 3.14 in FY 2021-22. Further, the ratio of long-term borrowings to short-term borrowings has strengthen to 98:2 in FY 2022-23 as against 95:5 in FY 2021-22. The company is contemplating to maintain majority of its borrowings in for of long term credit lines to have better ALM and cash flow. The Company has maintained sufficient liquidity in the form of High Quality Liquid Assets (HQLA) as per RBI guidelines and undrawn lines of credit to meet its financial obligations. However, the Company is in the process of raising credit lines/funds to improve the liquidity and achieve growth.

The profit before tax (PBT) for FY 2022-23 stood at ₹ 232.37 crore compared to ₹ 173.91 crore in FY 2021-22. The profit after tax (PAT) for FY 2022-23 stood at ₹ 175.81 crore against ₹ 129.98 crore in FY 2021-22.

As on 31st March 2023, PFS exposure into Renewable (mainly Solar and Wind) Sector is about 29%, exposure into transmission sector is about 22%, exposure into Road sector is about 11% and exposure into other infra sectors including new emerging green sustainable area such electric mobility, sewage treatment is about 9%. In addition, PFS has outstanding loan of about 22% to various state owned distribution companies. Out of total portfolio of ₹ 7338 crores, term loan outstanding is ₹ 3222 crores for various infrastructure projects and corporate loan to state owned companies is ₹ 2903 crores and corporate loan to private sector is ₹ 1213 crores.

During the FY 2022-23, with the focused efforts of the management, few loan accounts are on verge of resolution. During the year gross NPAs have decreased from ₹ 724 crore to ₹ 716 crore and net NPAs have decreased from ₹ 387 crore to ₹ 306 crore For FY 2022-23, Gross NPA as a % to gross advances was 9.68% and Net NPA as a % to net advances was 4.38% as compared to 8.29% and 4.67% respectively for FY 2021-22.

The Company is continuously focusing on resolving the stress assets and the efforts are on to achieve better efficiency in coming years. Most of the NPA accounts belong to legacy portfolio primarily comprising of Thermal projects. The Company has shifted its focus on other areas including renewable energy because of which the company's exposure to thermal has reduced to 6% in FY 2022-23 in comparison to 30% as at FY 2015-16.

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 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 each borrower and portfolio level. In the last few years, PFS is strengthening its credit risk management framework by adopting Early Warning Signal Framework (EWS Framework) and introducing sector specific credit risk grading framework.

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

Liquidity Risk

Liquidity Risk is the risk that PFS may not be able to raise fund, 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 various infrastructure 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.

Internal Control Systems & Their Adequacy

The internal control and compliance are ongoing process. The Company has established and further strengthened procedures for an effective internal control. The policies and procedures have been laid down with an objective to provide reasonable assurance that assets of the Company are safeguarded from risks of unauthorised use / disposition and the transactions are recorded and reported with proprietary, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audit. The Company has also laid down adequate internal financial controls. During the year, such controls were tested and no material weakness in their operating effectiveness was observed, however Company is making continuous efforts for further improvement in its controls. The Finance and Accounts function of the Company is adequately staffed with experienced and qualified personnel. The Audit Committee and Board of Directors review the operational and financial performance of the company at regular intervals.

Human Resources

The Company has committed, loyal, experienced and dedicated team. The Company promotes an atmosphere which encourages learning and informal communication within the organisation. The Company is having Performance Management System to objectively measure the performance of the individual and the organization. The overall remuneration structure is linked with such system. The other required safety norms are being followed throughout the company. Regular employee strength as on 31st March, 2023 stood at Forty Three (43).

Changes in Key Financial Ratios

The key changes in applicable financial Ratios are as follows:

S. No.	Particulars	2022-23	2021-22	Change in %	Reason of change
1	Debt equity ratio	2.09%	3.14%	-33.44%	Company has prepaid its part borrowing out of cash flow generated from prepayment of its loans by borrowers.
2	Operating profit margin	28.60%	16.59%	72.39%	Operating profit margin improved on account of the reduction in impairment on loan portfolio and increase in spread by 27 bps
3	Net profit	17580.72	12998.48	35.25%	In addition to reduction in impaiment and partially offset by increase in other expense.
4	Return on net worth	7.47%	5.93%	25.97%	On account of above stated reasons, return on net worth improved.

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 accompanying standalone financial statements of PTC India Financial Services Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its 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 of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Matters

We draw attention to the following matters:

i) As on 31st March 2023, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date. (Refer Note 59 to the standalone financial statements)

ii) On January 19, 2022, three independent directors of the Company had resigned mentioning lapses in corporate governance and compliance. The Company appointed an independent firm ("the Forensic auditor"), to undertake a forensic audit who had submitted its final forensic audit report (FAR) on November 4, 2022 which includes, in addition to other observations, instances of modification of critical sanction terms, post sanction approval from the Board, non-compliance with pre-disbursement conditions, disbursements made for clearing overdues (evergreening), disproportionate disbursement of funds and delayed presentation of critical information to the Board. The Company's management appointed a professional services firm ("the External Consultant") to independently review the 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. The management's responses and remarks of professional services firm, together with report of forensic auditor, had been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022 and Board observed that forensic auditor has not identified any event having material impact on the financials of the Company and has not identified any instance of fraud and diversion of funds by the Company. 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. The board of directors in its meeting held on 3rd February 2023 revisited the findings stated in FAR and took on record that the forensic auditor has not identified any event having material impact on the financials of the Company and also have not identified any instances of fraud and diversion of funds by the Company and/or by its employees. During the last quarter of year ended 31st March 2023, ROC has issued four show-cause notices (SCNs) to company for non-compliances of the provisions of section 149(8), 177 (4)(v) & (vii) and 178 and company has submitted its replies denying the non-compliances mentioned in above SCNs and has prayed to the ROC for withdrawal of SCNs which is pending. [Refer Note 56(a) to the standalone financial statements]

iii) On December 2nd ,2022 two more independent directors of the Company had resigned, reasons as detailed in their resignation letters of two such independent directors (mentioning various concerns) which includes the matters raised by the erstwhile independent directors of PFS (who resigned on January 19, 2022) regarding appointment of forensic auditor, its observations in the forensic audit report (including on evergreening of the loans etc.), divergent views of the directors and management on the outcome of forensic audit report, limitations on scope of forensic audit, lack of cooperation from the management to the forensic auditor; calling board and audit committee meetings at short notice, matters discussed in meetings without adequate notice; violation of SEBI directive regarding change in Board composition; appointment of Information System Auditors and unilateral replacement thereof; submission of proposal for grant of facilities to the Business Committee/ Board of the Company during the period after April 2022 which were not in compliance with the extant policy laid down by the Board; amendments of the laid down policy for approval of proposals, etc., not capturing the actual proceedings of the meetings in the minutes of board and committees and few other matters. The Company has rebutted all these fully and submitted its reply with the stock exchanges and Reserve Bank of India. [Refer Note no. 56(c) to the standalone financial statements]

iv) As stated in note no. 56 (e) to the standalone financial statements regarding the Show Cause Notice (SCN) dated May 08,2023 sent by Securities and Exchange Board of India (SEBI) to Managing Director and Chief Executive Officer (MD & CEO) and Non-Executive Chairman of the Company, on matters of Corporate Governance issues raised by Independent Directors who resigned on January 19, 2022 and December 2, 2022, as detailed in para (ii) & (iii) above [refer note no. 56(a) and (c) to the standalone financial statements], 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 the Audit Committee and the Board of Directors have noted and taken on record that the above stated SCNs have been issued 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 process of preparing replies (also in process of compiling all required data / records/information/details) {as stated in note no. 56 (e)} .As stated in the said note, the Company 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 the Company and the same has been noted and taken on record by the Audit Committee and Board of Directors in their respective meetings held on May 18, 2023.

v) Due to resignation of the former independent directors (who resigned on January 19, 2022), the Company has not complied with the various provisions of Companies Act, 2013 related to constitution of committees of the Board and timely conduct of their meetings during the period January 19, 2022 to July 15, 2022 (except the Audit Committee and Nomination and Remuneration Committee (NRC) duly constituted on April 6, 2022). In this regard, the management does not expect any material financial impact, due to fines/penalties arising from such process. [Refer Note no. 56(b) to the standalone financial statements]

vi) As stated in note no. 56(d) to the standalone financial statements regarding finalization and signing of the pending minutes of meetings of audit committee and IT strategy committee held since April 8, 2022 till November 14,2022 by the current chairman(s) of respective committees, same have been finalized by Company in the last quarter of the financial year ended March 31, 2023, basis recording /videos of such meetings and taking on record a certificate of an external legal expert in this regard. Company believes that the relevant provisions of Companies Act, 2013 have been complied with and there will be no material impact on state of affairs of the Company.

vii) In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from Resolution Professional for loan assets under IBC proceedings or otherwise, one time settlement (OTS) proposal, asset value as per latest available financials of the borrowers with appropriate haircut as per ECL policy, sustainable debt under resolution plan). The Company expects to recover the net carrying value of these assets, basis assessment of current facts and ECL methodology which factors in future economic conditions as well. However, the eventual recovery from these loans may be different from those estimated as on the date of approval of these financial statements. (Refer Note no. 57 to the standalone financial statements)

Our opinion is not modified in respect of above stated matters in para (i) to (vii).

viii) The secretarial auditors of the Company in their report dated May 10, 2023 have reported that the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards etc. subject to the followings:

a) There is delay in the Circulation, recording and signing of minutes of the Board meeting conducted during period October 22,2022 till November 15,2022, audit committee Meeting conducted during period April 01, 2022 till November 15,2022 and 9th IT Strategy Committee Meeting conducted on September 30,2022 with reference to provisions of the Secretarial Standards (SS)- 1 issued by the ICSI and all the said minutes are now finalized and signed as on date.

b) There is delay in the compliances under Regulation 33 of Securities Exchange Board of India ('SEBI') (Listing Obligation and Discloser Requirements) Regulations, 2015, as amended, ('SEBI LODR') for the period ending March 31, 2022 till quarter period ended September 30, 2022.

They have further reported that:

a) The appointment of independent directors has been done by the Board through circular resolution as on 29.03.2022 and Company was unable to get recommendation of Nomination and Remuneration Committee (NRC) due to its non-existence pursuant to resignation of existing independent directors and further, the Independent Directors had not been confirmed by Shareholders within 3 months as required under provision of the SEBI (LODR). However, email dated June 28, 2022 received from SEBI reiterated that "SEBI has provided a specific action to the company vide SEBI email dated May 13, 2022- "PFS is advised to not change the Structure and Composition of PFS Board, till the completion of forensic audit and submission of report by RMC of PTC India Limited. Apart from aforesaid, other 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.

b) Company has received show cause notices under Section 178, 149 and Schedule IV of the Companies Act 2013 during the audit period, on the basis of issues raised by the erstwhile independent directors in the previous financial year 2022 and same is pending before the Registrar of Companies, NCT of Delhi & Haryana (MCA) Ministry of Corporate Affairs. Since, the matter is sub-judice and to be decided by the Registrar of Companies, NCT of Delhi & Haryana (MCA), Ministry of Corporate Affairs, at this stage it is difficult to comment on impact of said show cause notices.

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 for the financial year ended March 31, 2023. 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.

In addition to the matter described in the "Emphasis of Matters" section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Allowance for Expected Credit Losses (ECL)**	**Audit Procedures**
	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') ● Basis used to determine the Probability of Default (PD') and Loss Given Default ('LGD') and exposure at default ('EAD')	**Our Procedures Included:** We have examined the policy approved by the Board of Directors of the Company and also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policy approved by the Board of Directors. 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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	• 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 & 45 A.4 to the standalone financial statements	• 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) Completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors. (c) Examined the key data inputs (valuation of collateral, the timing of cash flows and realizations, external credit ratings) to the ECL model on a sample basis to assess their accuracy and completeness; (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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position/ state of affairs, financial performance, total comprehensive income,changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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.

From 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

Other Matter

The audited standalone financial statements of the Company for the year ended 31st March 2022 were audited by the predecessor auditor who expressed modified opinion vide their report dated 16th November, 2022.These standalone financial statements were furnished by the management and has been relied upon for the purpose of audit of accompanying standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements;

   (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 including Other Comprehensive Income, 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 Indian Accounting Standards specified under Section 133 of the Companies Act,2013;

   (e) On the basis of the written representations received from the directors as on March 31st, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2023 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 of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

   (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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 35 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;

      iii) During the year ended March 31, 2023, there were delays in transferring 30,010 nos. of equity shares and unclaimed dividend of ₹ 7.20 lakhs to Investor Education and Protection Fund ('IEPF'). Further, there is no amount due for payment to the IEPF as at the year end. (refer note no. 52 to the standalone financial statements)

      iv) a) The management has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      b) The management has represented that, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contain any material mis-statement.

v) The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.

As stated in note no. 23 (x) to the standalone financial statements, the Board of Directors of the Company has proposed dividend for the year ended March 31, 2023, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

(h) In our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended 31st March, 2023 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

For **LODHA & CO.**
Chartered Accountants
ICAI Firm Registration Number: 301051E

Sd/-
Gaurav Lodha
Partner
Membership Number: 507462
UDIN: 23507462BGVDIE4699

Place : New Delhi
Date : 18th May 2023

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified 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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. (a) The Company is mainly involved in the business of rendering services and does not have any inventory. Accordingly, the provisions stated in paragraph 3(ii)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations provided to us, while the Company has been sanctioned working capital limits on the basis of security of loan assets, no limits have been sanctioned on the basis of security of current assets. We have been informed by the company that banks/ financial institutions have not considered loan assets (which are expected to be recovered in next twelve months) as current assets, given their underlying nature of recovery over the longer tenure. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) According to the information explanation provided to us, the Company's principal business is to give loans. Hence, the requirements under paragraph 3(iii) (a) of the Order are not applicable to the Company.

(b) Based on our examination and the information and explanations given to us, in respect of the loans granted, investments made and guarantees provided (letter of comfort), in our opinion, the terms and conditions under which such loans and guarantees provided are not prejudicial to the interest of the Company [read with note no. 56 (a) & (c) to the standalone financial statements].

(c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of infrastructure finance lending, the borrower-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, while there are delays, the parties are generally regular in repaying the principal amounts, as stipulated, and interest, as applicable and wherever the amounts are overdue as at March 31, 2023, the Company has evaluated and recognized provisions, if necessary, in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in note no. 47 to the standalone financial statements) [read with note no. 56 (a) & (c) to the standalone financial statements].

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases	Principal amount overdue* (INR Lakhs)	Interest amount overdue (INR Lakhs)	Total overdue	Remarks (specify whether reasonable steps have been taken by the Company for recovery of principal amount and interest)
10	93,653.32	6,838.60	1,00,491.92	According to information given to us, reasonable steps have been taken by the Company for recovery of principal amount and interest. (read with note no. 47, 56(a) & (c) to the standalone financial statements

*The amount indicates the total principal outstanding in case of the overdue accounts as at March 31, 2023.

(e) The Company's principal business is to give loans. Hence, the provisions stated under paragraph 3(iii) (e) of the Order are not applicable to the Company.

(f) According to the information explanation provided to us, the Company has not granted any loans and / or advances in the nature of loans during the year which are either repayable on demand or without stipulating the schedule for repayment of principal and interest. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company is in the business of lending loans, which are given at the interest rates which are generally higher than the minimum rates stipulated in section 185, and therefore section 185 is not applicable to the Company. The Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable). We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (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 goods and services tax, provident fund, income-tax, cess and other statutory dues, as applicable, have been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other material statutory dues applicable to it, were outstanding at the year end, for a period of more than six months from the date they became payable.

(b) According to the records and information & explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2023 on account of disputes are given below: -

Name of the statute	Nature of dues	Amount Involved # (INR lakhs)	Amount Unpaid (INR lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2921.78	1094.74	2012-2017	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	781.42	70.91	2010-11, 2012-13, 2014-15, 2017-18	Upto Commissioner (Appeals)

read with note no. 35 to the standalone financial statements

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its associates. The Company does not have any subsidiary or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate companies. The Company does not have any subsidiary or joint venture.

x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) 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, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

However, the erstwhile auditors have, in their audit report dated 16th November 2022 for the year ended 31st March 2022, stated "We are in process of filing a letter with the Central Government in relation to inter alia matters included in the Basis of Qualified opinion para of our main report. This is not a filing in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rule , 2014". As informed by the management, the predecessor auditor has filed a letter in this regard with ROC.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to Company. However, we draw your attention to the resignation letters from former independent directors as set out in para (ii) & (iii) under the 'Emphasis of Matters' section of our main report and note no. 56 (a) and (c) to the standalone financial statements.

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) (a) to (c) 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. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us, in our opinion, the Company has not entered into non-cash transactions with directors or persons connected with its directors during the year and hence, provisions of section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-banking Institution - Non-Deposit taking Systematically Important (NBFC¬ND-SI) Company.

(b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.

xviii. The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of this audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act,2013, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 50 to the standalone financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 50 to the standalone financial statements.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Sd/-
Gaurav Lodha
Partner
Membership Number: 507462

Place : New Delhi
Date : 18th May 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PTC INDIA FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2023

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Emphasis of Matters

According to the information and explanation given to us and based on our audit, we draw attention to para (ii),(iii) and (iv) under the 'Emphasis of Matters' section of our main report, read with note no. 56(a), (c) and (e) to the standalone financial statements.

Our opinion is not modified in respect above matters.

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Sd/-
Gaurav Lodha
Partner
Membership Number: 507462

Place : New Delhi
Date : 18th May 2023

AUDITOR'S ADDITIONAL REPORT

To,

The Board of Directors,

PTC India Financial Services Limited

1. This report is issued in accordance with the requirements of para 3 and 4 of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 vide Ref. No. RBI/ DNBS/2016-17/48 DNBS.PPD.03/66.15.001/2016-17 dated September 29, 2016 (hereinafter referred to as the "Directions") issued by the Reserve Bank of India ("RBI").

2. We have audited the standalone financial statements of PTC India Financial Services Limited (hereinafter referred to as the "Company") comprising the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter refer to as "the financial statements")

Management's Responsibility for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in section 134(5) of Companies Act, 2013 (the "Act") with respect to the preparation of these 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the 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 intend 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.

4. The Management of the Company is also responsible for compliance with the Reserve Bank of India Act,1934 and other relevant RBI circulars and guidelines applicable to Non-Banking Financial Companies, as amended from time to time, and for providing all the required information to the RBI.

Auditor's Responsibility

5. Pursuant to the requirements of the Directions referred to in paragraph 1 above, it is our responsibility to examine the audited books and records of the Company for the year ended March 31, 2023 and report on the matters specified in the Directions to the extent applicable to the Company.

6. Our audit of the standalone financial statements referred to in paragraph 5 above was conducted in accordance with the Standards on Auditing specified in section 143(10) of the Act, and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India {the "ICAI"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the ICAI (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audit and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements".

Opinion

9. We have drawn attention on the below stated matters under the "Emphasis of Matters" section of our Statutory Auditors Report on Standalone financial Statements for the financial year ended 31st March,2023, dated 18th May 2023:

   i. As on 31st March 2023, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date. (Refer Note 59 to the standalone financial statements).

   ii. On January 19, 2022, three independent directors of the Company had resigned mentioning lapses in corporate governance and compliance. The Company appointed an independent firm ("the Forensic auditor"), to undertake a forensic audit who had submitted its final forensic audit report (FAR) on November 4, 2022 which includes, in addition to other observations, instances of modification of critical sanction terms, post sanction approval from the Board, non-compliance with pre-disbursement conditions, disbursements made for clearing overdues (evergreening), disproportionate disbursement of funds and delayed presentation of critical information to the Board. The Company's management appointed a professional services firm ("the External Consultant") to independently review the 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. The management's responses and remarks of professional services firm, together with report of forensic auditor, had been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022 and Board observed that forensic auditor has not identified any event having material impact on the financials of the Company and has not identified any instance of fraud and diversion of funds by the Company. 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. The board of directors in its meeting held on 3rd February 2023 revisited the findings stated in FAR and took on record that the forensic auditor has not identified any event having material impact on the financials of the Company and also have not identified any instances of fraud and diversion of funds by the Company and/or by its employees. During the last quarter of year ended 31st March 2023, ROC has issued four show-cause notices (SCNs) to company for non-compliances of the provisions of section 149(8), 177 (4)(v) & (vii) and 178 and company has submitted its replies denying the non-compliances mentioned in above SCNs and has prayed to the ROC for withdrawal of SCNs which is pending. [Refer Note 56(a) to the standalone financial statements]

iii. On December 2nd ,2022 two more independent directors of the Company had resigned, reasons as detailed in their resignation letters of two such independent directors (mentioning various concerns) which includes the matters raised by the erstwhile independent directors of PFS (who resigned on January 19, 2022) regarding appointment of forensic auditor, its observations in the forensic audit report (including on evergreening of the loans etc.), divergent views of the directors and management on the outcome of forensic audit report, limitations on scope of forensic audit, lack of cooperation from the management to the forensic auditor; calling board and audit committee meetings at short notice, matters discussed in meetings without adequate notice; violation of SEBI directive regarding change in Board composition; appointment of Information System Auditors and unilateral replacement thereof; submission of proposal for grant of facilities to the Business Committee/ Board of the Company during the period after April 2022 which were not in compliance with the extant policy laid down by the Board; amendments of the laid down policy for approval of proposals, etc., not capturing the actual proceedings of the meetings in the minutes of board and committees and few other matters. The Company has rebutted all these fully and submitted its reply with the stock exchanges and Reserve Bank of India. [Refer Note no. 56(c) to the standalone financial statements]

iv. As stated in note no. 56 (e) to the standalone financial statements regarding the Show Cause Notice (SCN) dated May 08,2023 sent by Securities and Exchange Board of India (SEBI) to Managing Director and Chief Executive Officer (MD & CEO) and Non-Executive Chairman of the Company, on matters of Corporate Governance issues raised by Independent Directors who resigned on January 19, 2022 and December 2, 2022, as detailed in para (ii) & (iii) above [refer note no. 56(a) and (c) to the standalone financial statements], 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 the Audit Committee and the Board of Directors have noted and taken on record that the above stated SCNs have been issued 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 process of preparing replies (also in process of compiling all required data / records/information/details) {as stated in note no. 56 (e)} .As stated in the said note, the Company 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 the Company and the same has been noted and taken on record by the Audit Committee and Board of Directors in their respective meetings held on May 18, 2023.

Due to resignation of the former independent directors (who resigned on January 19, 2022), the Company has not complied with the various provisions of Companies Act, 2013 related to constitution of committees of the Board and timely conduct of their meetings during the period January 19, 2022 to July 15, 2022 (except the Audit Committee and Nomination and Remuneration Committee (NRC) duly constituted on April 6, 2022). In this regard, the management does not expect any material financial impact, due to fines/penalties arising from such process. [Refer Note no. 56(b) to the standalone financial statements]

vi. As stated in note no. 56(d) to the standalone financial statements regarding finalization and signing of the pending minutes of meetings of audit committee and IT strategy committee held since April 8, 2022 till November 14,2022 by the current chairman(s) of respective committees, same have been finalized by Company in the last quarter of the financial year ended March 31, 2023, basis recording /videos of such meetings and taking on record a certificate of an external legal expert in this regard. Company believes that the relevant provisions of Companies Act,2013 have been complied with and there will be no material impact on state of affairs of the Company.

vii. In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from Resolution Professional for loan assets under IBC proceedings or otherwise, one time settlement (OTS) proposal, asset value as per latest available financials of the borrowers with appropriate haircut as per ECL policy, sustainable debt under resolution plan). The Company expects to recover the net carrying value of these assets, basis assessment of current facts and ECL methodology which factors in future economic conditions as well. However, the eventual recovery from these loans may be different from those estimated as on the date of approval of these financial statements. (Refer Note no. 57 to the standalone financial statements)

Our opinion is not modified in respect of above stated matters in para (i) to (vii).

viii. The secretarial auditors of the Company in their report dated May 10, 2023 have reported that the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards etc. subject to the followings:

a) There is delay in the Circulation, recording and signing of minutes of the Board meeting conducted during period October 22,2022 till November 15,2022, audit committee Meeting conducted during period April 01,2022 till November 15,2022 and 9th IT Strategy Committee Meeting conducted on September 30, 2022 with reference to provisions of the Secretarial Standards (SS)-1 issued by the ICSI and all the said minutes are now finalized and signed as on date.

b) There is delay in the compliances under Regulation 33 of Securities Exchange Board of India ('SEBI') (Listing Obligation and Discloser Requirements) Regulations, 2015, as amended, ('SEBI LODR') for the period ending March 31,2022 till quarter period ended September 30,2022.

They have further reported that:

a) The appointment of independent directors has been done by the Board through circular resolution as on 29.03.2022 and Company was unable to get recommendation of Nomination and Remuneration Committee (NRC) due to its non-existence pursuant to resignation of existing independent directors and further, the Independent Directors had not been confirmed by Shareholders within 3 months as required under provision of the SEBI (LODR). However, email dated June 28, 2022 received from SEBI reiterated that "SEBI has provided a specific action to the company vide SEBI email dated May 13, 2022- "PFS is advised to not change the Structure and Composition of PFS Board, till the completion of forensic audit and submission of report by RMC of PTC India Limited. Apart from aforesaid, other 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.

b) Company has received show cause notices under Section 178 , 149 and Schedule IV of the Companies Act 2013 during the audit period, on the basis of issues raised by the erstwhile independent directors in the previous financial year 2022 and same is pending before the Registrar of Companies, NCT of Delhi & Haryana (MCA) Ministry of Corporate Affairs. Since, the matter is sub-judice and to be decided by the Registrar of Companies, NCT of Delhi & Haryana (MCA), Ministry of Corporate Affairs, at this stage it is difficult to comment on impact of said show cause notices

10. Based on our examination of the books and records of the Company for the year ended March 31, 2023 as produced for our examination and the information and explanations given to us, read with the matters described in the "Emphasis of Matter" section of our audit report dated 18th May 2023 (as stated in para 9 above), we report that:

i. The Company is engaged in the business of non-banking financial institution and has obtained a certificate of registration No. N-14.03116 dated March 23, 2007 from the RBI.

ii. The Company is entitled to continue to hold such certificate of registration in terms of its asset/income pattern as on March 31, 2023.

iii. The non-banking financial company is meeting the required net owned fund requirement as laid down in RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 - Master Direction -Non- Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (the "Master Direction").

iv. The Board of Directors of the Company has passed a resolution on April 06, 2022 for non - acceptance of public deposits. Further, the Company has not accepted any public deposits during the year.

v. The Financial statements have been prepared by Management in accordance with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended. Hence, the Company has followed the Indian Accounting Standards vis-a- vis prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of the Master Direction.

The company has been following Board Approved methodology for computation of Impairment allowance towards provisioning for its loan assets and classification thereof. In view of regulatory compliance of Companies Act 2013 for adoption of a mechanism for preparation of financial statements, the company could not fully followed the prudential norms relating to income recognition, accounting standards, asset classification and provisioning (IRACP norms) for Bad and Doubtful debts in terms of the directions 2016.Nevertheless the company is complying with the directions of the RBI vide notification No. DOR.(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 with respect to adherence to difference in provisioning between IRACP norms and ECL methodology

vi. a) In our opinion, the capital Adequacy ratio as disclosed in the Return submitted to RBI in Form DNBS-03 has been correctly arrived on the basis of provisional/audited financial statements and such ratio is in compliance with minimum CRAR prescribed by RBI.

b) As per information and explanation given to us, the annual statement of capital funds, risk assets/exposure and risk asset ratio (DNBS-03 return) as on 31st March 2023 has been filed by company within stipulated period on the basis of the provisional financials results.

vii. The Company is not classified as Micro Finance Institution, so said clause is not applicable to the Company.

viii. The Board of Directors has not put in place policies to safeguard the independence of the CRO during the Financial Year 2022-23, however subsequently on 18th May 2023, the board of Directors has approved the policy on Roles and Responsibilities of Chief Risk Officer, including maintaining of independent functioning of Chief Risk Officer.

ix. "In case CRO report to the MD & CEO, the RMC/Board shall meet the CRO without the presence of the MD & CEO, at least on quarterly basis". Reference is RBI Circular no RBI/2018-19/184/DNBR (PD) CC. No. 099/03.10.001/2018-19 dated May 16,2019.

Post Resignation of Independent Directors in January 2022, the Board of the Company was reconstituted on 29th March,2022. Thereafter, the Risk Management Committee (RMC) of the Company was reconstituted in July,2022. Therefore, the quarterly meetings of the CRO with RMC were not held during the quarter ended 30th June 2022 and 31st December 2022.

Restriction on Use

11. This report is addressed to Board of Directors and provided to the Management of the Company solely for the purpose of compliance with requirement of the Directions. It should not be used by any other person or for any other purpose. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment.

12. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Lodha & Co.
Chartered Accountants
Firm Registration Number: 301051E

Gaurav Lodha
Partner
Membership Number: 507462
UDIN: 23507462BGVDLT7681

Date: 15.06.2023
Place: New Delhi

PTC India Financial Services Limited
STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A	**ASSETS**			
1	**Financial assets**			
	a. Cash and cash equivalents	3	2,567.29	33,800.21
	b. Bank balances other than (a) above	4	56,420.52	61,903.66
	c. Derivative financial instruments	5	1,030.20	1,008.45
	d. Trade receivables	6	419.73	110.62
	e. Loans	7	684,712.10	805,931.43
	f. Investments	8	9,125.14	35,002.62
	g. Other financial assets	9	49.48	81.65
			754,324.46	**937,838.64**
2	**Non-financial assets**			
	a. Current tax assets (Net)	10	909.41	9,385.73
	b. Deferred tax assets (Net)	11	5,012.92	3,159.44
	c. Property, Plant and Equipment	12	686.24	827.68
	d. Right of use-buildings	12	2,348.32	315.84
	e. Intangible assets under development	13	15.46	-
	f. Other intangible asset	14	7.08	14.25
	g. Other non-financial assets	15	135.93	91.42
			9,115.36	**13,794.36**
	TOTAL ASSETS		**763,439.82**	**951,633.00**
B	**LIABILITIES AND EQUITY**			
	LIABILITIES			
3	**Financial liabilities**			
	a. Trade Payables			
	(i) total outstanding dues of micro and small enterprises	16	44.98	2.23
	(ii) total outstanding dues of creditors other than micro and small enterprises		141.35	174.08
	b. Debt securities	17	8,117.66	12,622.01
	c. Borrowings (Other than debt securities)	18	501,705.42	699,128.63
	d. Lease liability	18	2,352.70	387.54
	e. Other financial liabilities	19	6,441.06	12,675.40
			518,803.17	**724,989.89**
4	**Non-financial liabilities**			
	a. Provisions	20	238.60	246.80
	b. Other non-financial liabilities	21	123.93	9.02
			362.53	**255.82**
5	**EQUITY**			
	a. Equity share capital	22	64,228.33	64,228.33
	b. Other equity	23	180,045.79	162,158.96
			244,274.12	**226,387.29**
	TOTAL LIABILITIES AND EQUITY		**763,439.82**	**951,633.00**
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the standalone financial statements	3-65		

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

For and on behalf of the Board of Directors

Sd/-
Gaurav Lodha
Partner
M. No. 507462

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : May 18, 2023

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Income**			
	a. Revenue from operations			
	(i) Interest income	24	76,656.85	92,468.91
	(ii) Fee and commission income	25	2,072.65	2,468.88
	(iii) Sale of power		358.71	350.00
	b. Other income	26	619.82	1,587.52
	Total income (a + b)		**79,708.03**	**96,875.31**
2	**Expenses**			
	a. Finance costs	27	43,191.04	57,976.86
	b. Fees and commission expense	28	91.92	170.47
	c. Net loss on fair value changes	29	497.74	349.93
	d. Impairment on financial instruments	30	8,068.89	16,785.54
	e. Employees benefit expenses	31	1,963.28	1,892.97
	f. Depreciation and amortisation expenses	32	608.09	607.17
	g. Other expenses	33	2,050.27	1,701.15
	Total expenses (a + b + c + d + e + f + g)		**56,471.23**	**79,484.09**
3	**Profit before tax (1-2)**		**23,236.80**	**17,391.22**
4	**Tax expense**			
	a. Current tax	34	7,523.81	4.05
	b. Deferred tax charge/(credit)	34	(1,867.73)	4,388.69
	Total tax expense		**5,656.08**	**4,392.74**
5	**Profit for the year (3-4)**		**17,580.72**	**12,998.48**
6	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement loss on defined benefit plans		17.15	55.05
	Income tax relating to remeasurement loss on defined benefit plans	11	(4.32)	(13.85)
	b. Equity instruments through other comprehensive income		-	1,220.76
	Income tax relating to FVTOCI to equity investments		-	(307.24)
	Deferred tax benefits/(charge) relating to FVTOCI to equity investments	11	-	(117.88)
			12.83	**836.84**
	Items that will be reclassified to profit or loss			
	c. Change in cash flow hedge reserve		39.47	129.10
	Income tax relating to cash flow hedge reserve	11	(9.93)	(32.49)
			29.54	**96.61**
	Total other comprehensive income/(expense) for the year		**42.37**	**933.45**
7	**Total comprehensive income for the year (5 + 6)**		**17,623.09**	**13,931.93**
	Earnings per equity share:			
	Basic and diluted	48	2.74	2.02
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the standalone financial statements	3-65		

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

For and on behalf of the Board of Directors

Sd/-
Gaurav Lodha
Partner
M. No. 507462

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place : New Delhi
Date : May 18, 2023

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited
STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2023

A Equity Share Capital:

	No. of Shares	Amount
Equity Shares of ₹ 10 each, Issued, Subscribed and Fully Paid-up:		
As at April 1, 2021	642,283,335	64,228.33
Issued during the year	-	-
As at March 31, 2022	**642,283,335**	**64,228.33**
Issued during the year	-	-
As at March 31, 2023	**642,283,335**	**64,228.33**

B Other Equity:

	Reserves and Surplus							Other comprehensive income		Total
	Securities Premium Reserve	Statutory Reserve	Special Reserve	Impairment Reserve	Foreign currency monetary items translation difference account	Share options outstanding account	Retained Earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
As at April 1, 2021	61,280.57	35,574.57	34,449.78	12,696.98	(813.61)	-	23,717.11	(18,697.76)	(485.54)	147,722.10
Add: Profit for the year	-	-	-	-	-	-	12,998.48	-	-	12,998.48
Add / (Less): Other comprehensive income	-	-	-	-	-	-	41.20	795.64	96.61	933.45
Total Comprehensive Income for the year	-	-	-	-	-	-	**13,039.68**	**795.64**	**96.61**	**13,931.93**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	2,599.70	-	-	-	-	(2,599.70)	-	-	-
Transfer from / (to) Impairment Reserve	-	-	-	14,674.38	-	-	(14,674.38)	-	-	-
Transactions with owners in their capacity as owners:	-									
Dividends	-	-	-	-	-	-	-	-	-	-
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	(120.41)	-	-	-	-	(120.41)
Amortisation for the year	-	-	-	-	625.34	-	-	-	-	625.34
As at March 31, 2022	**61,280.57**	**38,174.27**	**34,449.78**	**27,371.36**	**(308.68)**	-	**19,482.71**	**(17,902.12)**	**(388.93)**	**162,158.96**
As at April 1, 2022	**61,280.57**	**38,174.27**	**34,449.78**	**27,371.36**	**(308.68)**	-	**19,482.71**	**(17,902.12)**	**(388.93)**	**162,158.96**
Add: Profit for the year	-	-	-	-	-	-	17,580.72	-	-	17,580.72
Add / (Less): Other comprehensive income	-	-	-	-	-	-	12.83	-	29.54	42.37
Total Comprehensive Income for the year	-	-	-	-	-	-	**17,593.55**	-	**29.54**	**17,623.09**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	3,516.14	3,622.40	-	-	-	(7,138.54)	-	-	-
Transfer from / (to) Impairment Reserve	-	-	-	-	-	-	-	-	-	
Transfer from / (to) retained earnings on disposal/derecogniton of investments	-	-	-	-	-	-	(696.42)	696.42	-	-
Transactions with owners in their capacity as owners:	-									
Dividends	-	-	-	-	-	-	-	-	-	-
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	215.52	-	-	-	-	215.52
Amortisation for the year	-	-	-	-	48.22	-	-	-	-	48.22
As at March 31, 2023	**61,280.57**	**41,690.41**	**38,072.18**	**27,371.36**	**(44.94)**	-	**29,241.30**	**(17,205.70)**	**(359.39)**	**180,045.79**

Summary of significant accounting policies 2
See accompanying notes forming part of the standalone financial statements 3-65

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited
STANDALONE STATEMENT OF CASH FLOW AS AT MARCH 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit after tax	17,580.72	12,998.48
	Adjustments for:		
	Depreciation and amortisation expenses	608.09	607.17
	Impairment on financial instruments	8,068.89	16,785.54
	(Gain)/ Loss on sale of property, plant and equipment	(2.80)	(0.08)
	Finance costs	43,191.04	57,976.86
	Fees and commission expense	91.92	170.47
	Net (Gain)/ Loss on fair value changes/ other Ind AS adjustments	(576.50)	349.93
	Tax expense (Provision)	5,656.08	4,392.74
	Operating profit before working capital changes	**74,617.44**	**93,281.11**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loan financing	114,271.44	173,372.97
	Other loans	5.25	5.69
	Other financial assets	9.73	(19.16)
	Other non- financial assets	(44.51)	492.92
	Trade receivables	(489.30)	266.24
	Adjustments for increase / (decrease) in operating liabilities:		
	Other financial liabilities	(728.90)	(7,859.04)
	Provisions	8.95	(152.78)
	Trade payables	10.02	(113.08)
	Other non- financial liabilities	114.91	(252.85)
	Cash flow from operating activities post working capital changes	**187,775.03**	**259,022.02**
	Income- tax (paid)/refund	952.51	13,118.15
	Net cash flow from operating activities (A)	**188,727.54**	**272,140.17**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Capital expenditure on property, plant and equipment, including capital advances	(35.12)	(147.04)
	Proceeds from sale of property, plant and equipment	14.68	14.98
	Purchase of intangible assets	-	(4.76)
	Purchase of intangible assets under development	(15.46)	
	Proceeds from/(Investment in) term deposit	176.53	(18,796.58)
	Purchase of investments	-	(1,476.04)
	Proceeds from sale/ redemption of investments	25,807.28	5,033.05
	Net cash flow from/ (used in) investing activities (B)	**25,947.91**	**(15,376.39)**

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from borrowings	51,000.00	571,852.62
	Repayment of borrowings	(248,799.32)	(725,438.37)
	Repayment of lease liability	(542.70)	(454.24)
	Repayment of debt securities	(4,522.94)	(51,017.13)
	Finance costs	(43,043.41)	(66,846.57)
	Net cash flow from financing activities (C)	**(245,908.37)**	**(271,903.69)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(31,232.92)	(15,139.91)
	Cash and cash equivalents at the beginning of the year	33,800.21	48,940.12
	Cash and cash equivalents at the end of the year	**2,567.29**	**33,800.21**

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Summary of significant accounting policies **2**

See accompanying notes forming part of the standalone financial statements **3-65**

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

1. Company overview/Corporate information

PTC India Financial Services Limited ("the Company") 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, 2023 were authorized and approved for issue by the Board of Directors on May 18, 2023.

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 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 stated 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. During Covid lockdown, the Company allowed its employees to purchase fixed assets to enable them to work from home which shall remain in possession of employees only. Asset costing up to ₹ 5,000 each are fully depreciated in the year of capitalisation except work from home assets and mobile phones which are written off after four years and two years respectively from the date 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 their estimated useful life not exceeding five 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.

Sale of Power

Revenue arising from sale of power generated from Wind Mills, is recognised on the rates and terms and conditions mutually agreed.

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.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

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.

Discounting - Discounting is done using the Rate of Interest (ROI) of the loan. The loan initiation fees charged by PFS ranges around 1% of loan amount and duration of loan is in between 10-15 years. Hence, there is a negligible impact of using ROI instead of EIR as prescribed by best practices for the purpose of discounting.

For Stage 1 accounts, if the residual maturity of the facility is greater than 12 months, the derived ECL estimates will be discounted by one year; if the residual maturity of the facility is less than 12 months, the derived ECL estimates will be discounted by the residual maturity of the facility.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

For Stage 2 accounts, annual ECL estimates will be discounted from first year onwards to arrive at the ECL for current year.

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.

Restructured, rescheduled and modified loans

The Company sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request. The Company considers the modification of the loan only before the loans gets credit impaired. When the loan has been renegotiated or modified but not derecognised, the Company also reassesses whether there has been a significant increase in credit risk. The Company also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured.

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 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) Statement of Cash Flows

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

s) Dividend on equity shares

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity

t) Borrowing Cost

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

u) Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

v) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in these financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.08	0.18
Balances with banks:		
- in current accounts	2,567.21	33,800.03
- in deposit accounts with original maturity of less than three months	-	-
	2,567.29	**33,800.21**

4 Bank balance other than (note 3) above

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks-		
- in earmarked accounts		
i. Unclaimed share application money lying in escrow account	-	-
i. Unclaimed interest on debentures and bonds	3,361.12	8,660.49
ii. Unclaimed dividend	51.71	58.95
- in deposit accounts with original maturity of more than three months	53,007.69	53,184.22
	56,420.52	**61,903.66**

5 Derivative financial instruments

The Company enters into derivative transcations 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.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Currency derivatives						
- Currency and interest rate swaps	4,597.31	1,030.20	-	7,115.63	636.05	-
- Call spread option	-	-	-	5,930.02	372.42	0.02
- Cap spread option						
Total derivatives	**4,597.31**	**1,030.20**	**-**	**13,045.65**	**1,008.47**	**0.02**
Included in above are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
- Currency and interest rate swaps	4,597.31	1,030.20	-	7,115.63	636.05	-
Undesignated derivatives	-	-	-	5,930.02	372.42	0.02
Total derivative financial instruments	**4,597.31**	**1,030.20**	**-**	**13,045.65**	**1,008.47**	**0.02**

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 ageing 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, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(a) **Disclosure of effects of hedge accounting on financial performance**

For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss) (A)	Hedge ineffectiveness recognised in statement of profit or loss (B)	Amount reclassified from cash flow hedging reserve to profit or loss (C) = (A)+(B)	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				
Foreign currency and interest rate risk	477.59	(438.12)	39.47	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation
(i) Currency and interest rate swap				

For the year ended March 31, 2022

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss) (A)	Hedge ineffectiveness recognised in statement of profit or loss (B)	Amount reclassified from cash flow hedging reserve to profit or loss (C) = (A)+(B)	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
Cash flow hedge				
Foreign currency and interest rate risk	56.79	72.31	129.10	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation
(i) Currency and interest rate swap				

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, 2023**	As at March 31, 2022
Opening balance	**(388.93)**	**(485.54)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	477.59	56.79
Less: Amount reclassified to profit or loss	(438.12)	72.31
Less: Deferred tax relating to above (net)	(9.93)	(32.49)
Closing balance	**(359.39)**	**(388.93)**

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

Particulars	**As at March 31, 2023**	As at March 31, 2022
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	419.73	110.62
Trade receivables which have significant increase in credit risk	-	-
Credit impaired	217.56	37.37
	637.29	**147.99**
Less: Allowance for impairment loss allowance	217.56	37.37
	419.73	**110.62**

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(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.

(iii) ₹ 370.46 lakhs is receivable from state power utility for supply of wind power and no impairment has been considered since it is state government Company.

Trade Receivable ageing is as follows :

Particulars	As at March 31, 2023							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	20.74	47.77	181.86	148.19	0.33	11.21	9.63	419.73
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	8.04	29.33	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	180.19	-	-	-	180.19

Trade Receivable ageing is as follows :

Particulars	As at 31 March 2022							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	17.73	-	54.98	11.92	11.21	0.44	14.34	110.62
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	8.04	19.81	9.52	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

7 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
(i) Term loans*		
a) Loans Receivables considered good – Secured;	594,182.88	678,428.01
b) Loans Receivables considered good – Unsecured;	-	-
c) Loans Receivables which have significant increase in credit risk and	44,665.35	68,914.93
d) Loans Receivables – credit impaired.	100,491.91	105,194.40
(ii) Loans to employees		
a) Loans Receivables considered good – Secured;	23.69	30.40
b) Loans Receivables considered good – Unsecured;	3.79	2.33
c) Loans Receivables which have significant increase in credit risk and	-	-
d) Loans Receivables – credit impaired.	-	-
Total - Gross	**739,367.62**	**852,570.07**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Less: Impairment loss allowance	54,655.52	46,638.64
Total - Net	**684,712.10**	**805,931.43**
(i) Secured by tangible assets (property, plant and equipment including land and building)	637,789.02	686,697.92
(ii) Secured by book debts, inventories, fixed deposit and other working capital items	71,719.33	165,869.82
(iii) Secured by intangible assets	-	-
(iv) Covered by bank and government guarantee	29,855.48	-
(v) Unsecured	3.79	2.33
Total - Gross	**739,367.62**	**852,570.07**
Less: Impairment loss allowance	54,655.52	46,638.64
Total - Net	**684,712.10**	**805,931.43**
Loans in India***		
(i) Public sector	320,675.06	251,664.23
(ii) Others	418,692.56	600,905.84
Total - Gross	**739,367.62**	**852,570.07**
Less: Impairment loss allowance	54,655.52	46,638.64
Total - Net	**684,712.10**	**805,931.43**

* Includes interest accrued.

*** The Company does not hold any loans outside India.

The net carrying amount of loans is considered a reasonable approximation of their fair value.

The loans are secured by borrowers fixed assets/current assets however in few cases securities provided for are in process of perfection by the borrowers.

Refer note 45 A on credit risk

8 Investments

	As at March 31, 2023					As at March 31, 2022				
	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 (unquoted)										
61,121,415 (March 31, 2022: 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
4,390,000 (March 31, 2022:4, 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 (unquoted) (Refer Note (i) below)										
133,385,343 (March 31, 2022: 133,385,343;) equity shares of ₹ 10 held in East Coast Energy Private Limited	-	-	-	-	-	-	-	-	-	-
1,227,000 (March 31, 2022: 8,180,000;) equity shares of ₹ 10 held in Adhunik Power and Natural Resources Limited	-	-	-	-	-	-	-	-	-	-
39,831,212 (March 31, 2022: 39,831,212;) equity shares of ₹ 10 held in Athena Chattisgarh Power Limited	-	-	-	-	-	-	-	-	-	-
12,132,677 (March 31, 2022: 12,132,677;) equity shares of ₹ 10 held in Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	As at March 31, 2023					As at March 31, 2022				
	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 optionally convertible debentures										
(a) Investment in associates (unquoted)										
90 (March 31, 2022: 90) optionally convertible debentures of ₹ 10 held in Varam Bio Energy Private Limited	-	-	-	428.58	428.58	-	-	-	428.58	428.58
(b) Investment in others (unquoted)										
Nil (March 31, 2022: 200) optionally convertible debentures of ₹ 10,000,000 held in Ostro Energy Private Limited	-	-	-	-	-	-	-	23,300.05	-	23,300.05
Investment in security receipts (unquoted)										
307,470 (March 31, 2022: 307,470) security receipts of face value ₹1000 each held in Edelweiss Assets Reconstruction Co Ltd (13,200 @ ₹ 585.99 (previous year - ₹ 764.58) and 294,270 @ ₹ 691.55 (previous year - ₹ 839.55)) held in Adhunik Power and Natural Resources Limited.	2,112.38	-	-	-	2,112.38	2,571.46	-	-	-	2,571.46
552,500 (March 31, 2022: 552,500 face value ₹ 1000 each) security receipts of held in Phoenix ARC Pvt Ltd-Sispara Renewable Pvt Ltd (552,500 @ ₹ 1 (previous year 552,500 @ ₹ 357).	5.53	-	-	-	5.53	1,972.42	-	-	-	1,972.42
7,99,000 (March 31, 2022: 7,99,000;) security receipts of ₹ 1000 each held in Phoenix ARC Pvt Ltd-RKM Powergen Pvt Ltd. (7,99,000 @ ₹ 877 (previous year - ₹ 912) each)	7,007.23	-	-	-	7,007.23	7,286.88	-	-	-	7,286.88
Total Investments (A)	**9,125.14**	**-**	**-**	**6,979.72**	**16,104.86**	**11,830.76**	**-**	**23,300.05**	**6,979.72**	**42,110.53**
Less: Allowance for Impairment Loss (B)	-	-	-	6,979.72	6,979.72	-	-	128.19	6,979.72	7,107.91
Total Net C= (A)-(B)	**9,125.14**	**-**	**-**	**-**	**9,125.14**	**11,830.76**	**-**	**23,171.86**	**-**	**35,002.62**

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, 2023	As at March 31, 2022
East Coast Energy Private Limited	13,338.53	13,338.53
Adhunik Power and Natural Resources Limited [iii]	122.90	819.32
Athena Chattisgarh Power Limited	3,983.12	3,983.12
Prayagraj Power Generation Company Limited	-	-
	17,444.55	**18,140.97**

(ii) Investments acquired through invocation of pledge shares (collaterals) has not been considered as an investment.

(iii) As per Master Restructuring Agreement (MRA) approved by NCLAT on March 02, 2022, shares of Adhunik Power were reduced from 81,80,000 nos equity shares to 12,27,000 nos. equity shares (i.e. 85% reduction) during the current year. Accordingly an amount of ₹ 696.42 lakhs have been written of through OCI against the provision made in earlier years (net impact is ₹ Nil)

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

9 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	49.48	68.53
Others	-	13.12
	49.48	**81.65**

10 Current tax assets (net)

TDS/TCS receivable and advance tax (Net of provision)	909.41	9,385.73
	909.41	**9,385.73**

11 Deferred tax assets

Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment and intangible assets	58.79	81.18
Foreign currency monetary items translation difference account	-	8.73
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	9,582.01	8,670.32
Financial liabilities measured at amortised cost	243.35	291.50
	9,884.15	**9,051.73**
Tax effect of items constituting deferred tax assets		
Provision for employees benefits	121.07	122.14
Impairment on financial instruments	13,919.29	11,747.42
Accrued interest deductible on payment	-	6.95
Provision for diminution in value of unquoted non-current trade investments	99.84	129.71
Financial assets measured at amortised cost	596.80	55.12
Foreign currency monetary items translation difference account	38.25	-
Cash flow hedge reserve	120.88	130.81
Lease liability	0.94	19.02
	14,897.07	**12,211.17**
Deferred tax (assets) /liabilities (net)	**(5,012.92)**	**(3,159.44)**

Deferred taxes arising from temporary differences for the year ended March 31, 2023 and March 31, 2022 are summarized as follows:

Deferred tax assets/(liabilities)	As at April 1, 2022	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2023
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	81.18	(22.39)	-	58.79
Foreign currency monetary items translation difference account	8.73	(46.98)	-	(38.25)
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	911.69	-	9,582.01
Financial liabilities measured at amortised cost	291.50	(48.15)	-	243.35
	9,051.73	**794.17**	**-**	**9,845.90**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	122.14	3.25	(4.32)	121.07
Impairment on financial instruments	11,747.42	2,171.87	-	13,919.29
Accrued interest deductible on payment	6.95	(6.95)	-	-
Losses/ diminution in value of investments	129.71	(29.87)	-	99.84
Financial assets measured at amortised cost	55.12	541.68	-	596.80
Cash flow hedge reserve	130.81	-	(9.93)	120.88
Lease liability	19.02	(18.08)	-	0.94
	12,211.17	**2,661.90**	**(14.25)**	**14,858.82**
Deferred tax (assets)/ liabilities (net)	**(3,159.44)**	**(1,867.73)**	**14.25**	**(5,012.92)**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Deferred tax assets/(liabilities)	As at April 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2022
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	(23.02)	-	81.18
Foreign currency monetary items translation difference account	117.43	(108.70)	-	8.73
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	-	-	8,670.32
Financial liabilities measured at amortised cost	821.36	(529.86)	-	291.50
	9,713.31	**(661.58)**	**-**	**9,051.73**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	114.42	21.57	(13.85)	122.14
Impairment on financial instruments	15,834.28	(4,086.86)	-	11,747.42
Accrued interest deductible on payment	13.90	(6.95)	-	6.95
Losses/ diminution in value of investments	251.08	(3.49)	(117.88)	129.71
Financial assets measured at amortised cost	1,019.54	(964.42)	-	55.12
Cash flow hedge reserve	163.30	-	(32.49)	130.81
Lease liability	29.14	(10.12)	-	19.02
	17,425.66	**(5,050.27)**	**(164.22)**	**12,211.17**
Deferred tax (assets) /liabilities (net)	**(7,712.35)**	**4,388.69**	**164.22**	**(3,159.44)**

12 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Leasehold improvements	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Office equipment	Total	Right of use-Buildings
Gross carrying amount (at cost)										
As at April 1, 2021	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**180.31**	**66.29**	**213.21**	**4,554.29**	**1,574.76**
Additions	-	-	-	-	15.66	98.91	-	32.47	147.04	-
Disposals	-	-	-	-	0.60	33.11	-	5.72	39.43	-
As at March 31, 2022	**456.24**	**3.50**	**11.94**	**3,522.75**	**115.11**	**246.11**	**66.29**	**239.96**	**4,661.90**	**1,574.76**
Additions	-	-	-	-	-	22.06	-	13.06	35.12	2,468.72
Disposals	-	-	-	-	3.37	16.37	-	12.93	32.67	1,574.76
As at March 31, 2023	**456.24**	**3.50**	**11.94**	**3,522.75**	**111.74**	**251.80**	**66.29**	**240.09**	**4,664.35**	**2,468.72**
Accumulated depreciation										
As at April 1, 2021	391.38	-	5.09	2,805.87	82.88	158.85	42.59	190.75	3,677.41	839.67
Charge for the year	**23.97**		**0.33**	**91.26**	**11.27**	**29.24**	**7.36**	**17.91**	**181.34**	**419.25**
Disposals/Adjustments	-	-	-	-	0.29	21.58	-	2.66	24.53	-
As at March 31, 2022	**415.35**	**-**	**5.42**	**2,897.13**	**93.86**	**166.51**	**49.95**	**206.00**	**3,834.22**	**1,258.92**
Charge for the year	18.06		0.32	79.64	5.16	43.99	4.82	12.69	164.68	436.24
Disposals/Adjustments	-	-	-	-	1.76	10.34	-	8.69	20.79	1,574.76
As at March 31, 2023	**433.41**	**-**	**5.74**	**2,976.77**	**97.26**	**200.16**	**54.77**	**210.00**	**3,978.11**	**120.40**
Net carrying amount										
As at March 31, 2022	40.89	3.50	6.52	625.62	21.25	79.60	16.34	33.96	827.68	315.84
As at March 31, 2023	**22.83**	**3.50**	**6.20**	**545.98**	**14.48**	**51.64**	**11.52**	**30.09**	**686.24**	**2,348.32**

(i) Refer note 41 for information on property, plant and equipment mortgage/hypothecated 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, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

13 Intangible asset

	As at March 31, 2023
Intangible assets under development	**Computer software**
Gross carrying amount (at cost)	
As at April 1, 2021	-
Additions	-
Disposals	-
As at March 31, 2022	-
Additions	15.46
Disposals	-
As at March 31, 2023	**15.46**
Net carrying amount	
As at March 31, 2022	-
As at March 31, 2023	**15.46**

Intangible assets under development ageing schedule as at March 31, 2023

Intangible assets under development	less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	15.46	-	-	-	15.46
Projects temporarily suspended	-	-	-	-	-
	15.46	-	-	-	15.46

(Previous year ₹ Nil)

14 Other intangible asset

	As at March 31, 2023
Other Intangible assets	**Computer software**
Gross carrying amount (at cost)	
As at April 1, 2021	281.93
Additions	4.76
Disposals	-
As at March 31, 2022	**286.69**
Additions	-
Disposals	-
As at March 31, 2023	**286.69**
Accumulated depreciation	
As at April 1, 2021	**265.86**
Charge for the year	**6.58**
Adjustments	-
As at March 31, 2022	**272.44**
Charge for the year	**7.17**
Adjustments	-
As at March 31, 2023	**279.61**
Net carrying amount	
As at March 31, 2022	**14.25**
As at March 31, 2023	**7.08**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

15 Other non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances*	1,038.85	1,038.85
Provision for advances	(1,038.85)	(1,038.85)
	-	-
Prepaid expense	53.72	50.45
Balances with government authorities	82.21	40.97
	135.93	**91.42**

*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 50% 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. As the Company had cancelled the land deal, as a matter of abundant caution, a provision against the amount deposited with YEIDA was created in the year FY 2020-21.

During the previous year the company had received an amount of ₹ 500 lakhs from ICICI bank which was given as an advance towards purchase of land.

16 Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
i) Total outstanding dues of micro enterprises and small enterprises	44.98	2.23
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	141.35	174.08
Total	**186.33**	**176.31**

a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	44.98	2.23
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.	-	-

b) Trade Payable ageing is as follows

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	44.98	-	-	-	44.98
(ii) Others	86.69	42.28	-	-	12.38	141.35
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
(i) MSME	-	2.23	-	-	-	2.23
(ii) Others	129.29	22.36	0.01	3.75	18.67	174.08
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

17 Debt securities

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Infrastructure bonds (i)	899.55	922.50
Debentures (ii) #	7,218.11	11,699.51
Total	**8,117.66**	**12,622.01**
Debt securities in India	899.55	2,422.50
Debt securities outside India	7,218.11	10,199.51
	8,117.66	**12,622.01**

(i) Infrastructure bonds

17,991 (March 31, 2022: 18,450) privately placed 9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 2) amounting to ₹ 899.55 lakhs (March 31, 2022: ₹ 922.50 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 unencumbered receivables of the Company to provide the 100% security coverage. During the year, the company has repaid ₹ 22.95 lakhs (March 31, 2022: ₹ 9,997.05 lakhs) under maturity of Options I and II and buyback scheme exercised by eligible holders of infrastructure bonds of Options III and IV in FY2021-22 as per terms of Infra Series 2.

(ii) Debentures

NIL (March 31, 2022: 1,500) privately placed 9.80% secured redeemable non-convertible debentures of ₹ NIL each (March 31, 2022: 2,00,000 each) (Series 5) amounting to ₹ NIL (March 31, 2022: ₹ 3,000.00 lakhs) were allotted on June 16, 2015 redeemable at par in five equal annual instalments commencing from June 12, 2018. The debentures were fully repaid on time during FY 22-23.

Series 5 debentures were 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.

Nil (March 31, 2022: 900) privately placed 10.50% secured redeemable non-convertible debentures of ₹ NIL each (March 31, 2022: ₹ 166,667 each) (Series 3) amounting to ₹ NIL (March 31, 2022: ₹ 1,500.00 lakhs) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018. The debentures were fully repaid on time during FY 22-23.

Series 3 debentures were secured by way of mortgage of immovable building and exclusive 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, 2022: 2,135) privately placed 9.62% secured redeemable non-convertible debentures of ₹ 340,000 each (March 31, 2022 : ₹ 340,000 each) (Series 4) amounting to ₹ 7,259.00 lakhs (March 31, 2022 : ₹ 7,259.00 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 exclusive 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.

#Net of Ind AS adjustments in respect of transaction costs at Effective Interest Rate (EIR) amounting to ₹ 40.89 lakhs (March 31, 2022: ₹ 59.49 lakhs).

18 Borrowings (other than debt securities)*

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Loans		
- from banks (i)	496,066.97	685,017.55
-External commercial borrowings from financial institutions (ii)	5,638.45	14,111.08
Lease liability	2,352.70	387.54
Total	**504,058.12**	**699,516.17**
Borrowings in India	**498,419.67**	**685,405.09**
Borrowings outside India	5,638.45	14,111.08
Total	**504,058.12**	**699,516.17**

* The funds borrowed from banks and financial institutions have been utilised for the purpose it was taken.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Term loan from bank

Term loans from banks carry interest ranging from 7.35% to 9.10% p.a. The loans carry various repayment schedules according to their respective sanctions and thus are repayable in 20 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. at all times during the currency of the loan at all times during the currency of the loan. Refer note No 65.2 (IX) for maturity profile of borrowings

(ii) External commercial borrowings

External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a during FY22-23. The loans are repayable in 32 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, 2023, repayments of ECB loans have been made amounting to USD 11,756,952 (₹ 8,743.32 lakhs).

As at March 31, 2023, the Company had undrawn sanctioned borrowing facilities of ₹ 30,078 lakhs (March 31, 2022 : ₹ 1,63,500 lakhs).

19 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
(Measured at amortised cost)		
Interest accrued but not due on borrowings		
- Term loan	117.87	321.44
- Debentures	237.24	353.46
- Infrastructure bonds	1,111.69	990.73
Unclaimed dividend	51.71	58.95
Unclaimed interest on debentures and bonds	3,361.12	8,660.49
Deferred processing/upfront fees	848.02	955.31
Income received in advance	419.85	858.05
Payable to employees & others	293.56	476.97
	6,441.06	**12,675.40**

20 Provisions

Gratuity	38.76	8.20
Compensated absences	186.19	213.01
Other employees benefits	13.65	25.59
	238.60	**246.80**

21 Other non-financial liabilities

Statutory remittances	123.93	9.02
	123.93	**9.02**

22 Equity share capital

Authorised Equity share capital		
1,250,000,000 (March 31, 2022: 1,250,000,000) equity shares of ₹ 10 each	125,000.00	125,000.00
Authorised Preference share capital		
750,000,000 (March 31, 2022: 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, 2022: 642,283,335) equity shares of ₹ 10 each fully paid up	64,228.33	64,228.33
	64,228.33	**64,228.33**

(i) Terms /rights aattached to equity shares:

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, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Equity Share Capital	
	Number of shares	Amount
As at April 1, 2021	642,283,335	64,228.33
Add: Equity shares issued during the year	-	-
As at March 31, 2022	642,283,335	64,228.33
Add: Equity shares issued during the year	-	-
As at March 31, 2023	**642,283,335**	**64,228.33**

(iii) Shareholders holding more than 5% shares are set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	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.

(iv) 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.

(v) Shareholding of promoters are as follows:

	As at March 31, 2023		
Promoter Name	**No. of shares**	**% of total shares**	**% change during the year**
PTC India Limited	417,450,001	64.99	-

	As at March 31, 2022		
Promoter Name	**No. of shares**	**% of total shares**	**% change during the year**
PTC India Limited	417,450,001	64.99	-

(vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

23 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
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)	41,690.41	38,174.27
Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)	38,072.18	34,449.78
Impairment reserve	27,371.36	27,371.36
Equity instruments through other comprehensive income	(17,205.70)	(17,902.12)
Cash flow hedge reserve	(359.39)	(388.93)
Foreign currency monetary items translation difference account	(44.94)	(308.68)
Retained earnings	29,241.30	19,482.71
Total	**180,045.79**	**162,158.96**

(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.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	**38,174.27**	**35,574.57**
Add: Transferred from Retained earnings	3,516.14	2,599.70
Closing balance	**41,690.41**	**38,174.27**

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.

(iii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

Opening balance	**34,449.78**	**34,449.78**
Add: Transferred from Retained Earnings	3,622.40	-
Closing balance	**38,072.18**	**34,449.78**

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	**27,371.36**	**12,696.98**
Add: Transferred from Retained Earnings	-	14,674.38
Closing balance	**27,371.36**	**27,371.36**

This reserve is maintained in accordance with the RBI Circular on Implementation of Ind AS dated March 13, 2020.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	**(17,902.12)**	**(18,697.76)**
Add: Change in fair value of FVOCI equity investments	-	1,220.76
Add/less: Tax impact	-	(425.12)
Less: Transfer to retained earnings on disposal/derecogniton of investments	696.42	-
Closing balance	**(17,205.70)**	**(17,902.12)**

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	**(388.93)**	**(485.54)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	477.59	56.79
Add/(Less): Amount reclassified to profit or loss	(438.12)	72.31
Less: Tax impact	(9.93)	(32.49)
Closing balance	**(359.39)**	**(388.93)**

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.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(vii) Foreign currency monetary items translation difference account

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	**(308.68)**	**(813.61)**
Add/(less): Effect of foreign exchange rate variations during the year (net)	215.52	(120.41)
Add/less: Amortisation for the year through profit or loss	48.22	625.34
Closing balance	**(44.94)**	**(308.68)**

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.

(viii) Retained earnings

Opening balance	**19,482.71**	**23,717.11**
Add: Net profit for the year	17,580.72	12,998.48
Add: Remeasurement of post-employment benefit obligation, net of tax	12.83	41.20
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(3,516.14)	(2,599.70)
Less: Transferred to special reserve u/s 36(1)(viii) of the Income tax Act Act, 1961	(3,622.40)	-
Less: Trasfer to Impairment Reserve	-	(14,674.38)
Add: Transfer to retained earnings on disposal/derecogniton of investments	(696.42)	
Closing balance	**29,241.30**	**19,482.71**

(ix) Distributions made and proposed

Cash dividends on equity shares declared and paid:

Dividend for the year ended March 31, 2023: ₹ Nil per share (March 31, 2022: ₹ Nil per share)	-	-

(x) Proposed dividend on Equity Shares:

Board of Directors considered and recommended a dividend @ 10% i.e. ₹ 1 per equity share of ₹ 10 each for the financial year 2022-23, subject to approval of the members at the ensuing Annual General Meeting.

24 Interest income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on loans	71,025.06	87,523.21
Interest income on debentures	1,378.82	2,492.07
Interest on fixed deposits	4,245.69	2,445.66
Interest income on other financial assets	7.28	7.97
	76,656.85	**92,468.91**

25 Fee and commission Income

Fee based income	2,072.65	2,468.88
	2,072.65	**2,468.88**

26 Other income

Consultancy and other services	22.46	0.42
Profit on sale of property, plant and equipment	3.81	1.57
Interest on income tax refund	593.52	1,526.73
Miscellaneous Income	0.03	58.80
	619.82	**1,587.52**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

27 Finance costs (on financial liabilities measured at amortised cost)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expenses on:		
Borrowings:		
-On Loans from banks/ financial institutions	41,660.77	52,781.57
-On External commercial borrowings	546.61	994.73
-On lease liability	61.58	62.62
Debt securities		
-On Infra bonds	173.42	1,809.58
-On Debentures	903.17	1,473.42
-On Commercial paper	-	525.42
Other interest expenses:		
- Delayed payment of income tax	-	-
- Interest expense on security deposits	-	75.26
Other Borrowing Costs:		
- Loss/amortisation of foreign currency transaction/transalation	(154.51)	254.26
	43,191.04	**57,976.86**

28 Fees and commission expense

Other charges on term loans and other borrowings	91.92	170.47
	91.92	**170.47**

29 Net loss on fair value changes

Net loss on financial instruments at fair value through profit or loss		
-Loss on MTM of derivatives	299.36	343.79
-Loss on modification of cash flow	198.38	6.14
	497.74	**349.93**

30 Impairment on financial instruments

Impairment loss on financial instruments based on category of financial instrument:		
Loans*	8,016.88	16,800.54
Others	52.01	(15.00)
	8,068.89	**16,785.54**

* Refer note 45 (A.4)

31 Employees benefit expense

Salaries and other allowances	1,699.66	1,685.61
Contribution to provident fund	71.63	65.52
Staff welfare expense	191.99	141.84
	1,963.28	**1,892.97**

32 Depreciation and amortisation expense

Depreciation on tangible assets and right-of-use (Refer note 12)	600.92	600.59
Amortisation on intangible assets (Refer note 13)	7.17	6.58
	608.09	**607.17**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

33 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Repairs and maintenance		
- Plant and equipment	125.48	115.18
- others	118.25	82.93
Insurance	12.11	6.88
Rates and taxes	42.36	67.86
Penalty Charges	68.79	-
Communication	47.71	34.12
Travelling and conveyance	80.53	31.52
Advertising and business development	69.68	29.82
Corporate social responsibility expenses (Refer Note 50)	103.43	21.00
Legal and professional	945.96	967.19
Auditor remuneration:		
- For statutory audit	11.00	9.00
- For quarterly audit/limited review	19.62	16.20
- For tax audit	2.16	1.80
- For other certification and reporting	8.18	8.20
- For out of pocket expenses *	0.80	1.51
Property, plant and equipment written off.	1.01	1.49
AGM expenses	1.46	5.64
Bank charges	0.18	7.36
Directors' sitting fees	127.31	81.10
Miscellaneous expenses	264.25	212.35
	2,050.27	**1,701.15**

* Paid to predecessor auditors

34 Income tax expense

(a) Income tax expense recognised in Statement of profit and loss

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax		
In respect of the current year	7,523.81	4.05
	7,523.81	**4.05**
Deferred tax charge/ (benefits)		
In respect of the current year	**(1,867.73)**	**4,388.69**
	(1,867.73)	4,388.69
Total tax expense in statement of profit and loss	**5,656.08**	**4,392.74**

(b) Income tax expense recognized in other comprehensive income

Income tax relating to cash flow hedge reserve	(9.93)	(32.49)
Income tax relating to remeasurement gains/(losses) on defined benefit plans	-	(13.85)
Income tax relating to FVTOCI to equity investments	(4.32)	(307.24)
Deferred tax benefits/(charge) relating to FVTOCI to equity investments	-	(117.88)
	(14.25)	**(471.46)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will be reclassified to profit or loss	(9.93)	(32.49)
Items that will not be reclassified to profit or loss	(4.32)	(438.97)
	(14.25)	**(471.46)**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(c) **Reconciliation of the expected tax expense based on the domestic effective tax rate applicable in india and the reported tax expense in statement of profit and loss.**

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax	23,236.80	17,391.22
Domestic tax rate as per income tax rate	25.168%	25.168%
Expected tax expense [A]	**5,848.24**	**4,377.02**
Adjustment on account of non-deductible expenses and special reserve	42.98	15.72
Reversal during tax holiday period	-	-
Adjustment for change in tax rate during the year	-	-
Others	(235.14)	-
Total effect of tax adjustment [B]	**(192.16)**	**15.72**
Actual tax expense [C=A+B]	**5,656.08**	**4,392.74**

35 Contingent liabilities and commitments*

a) In respect of following:		
- Income tax matters	3,703.20	3,691.29
b) Commitments		
- Loan financing	-	3,560.00

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.

* Read with note no. 56

36 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings & lease liabilities (Other than debt securities)	Total
As at April 01, 2021	**63,608.80**	**853,810.92**	**917,419.72**
Cash flows:			
Proceeds from debt securities/borrowings	-	571,852.62	571,852.62
Repayment of debt securities/borrowings	(51,017.13)	(725,438.37)	(776,455.50)
Repayment of lease liability	-	(454.24)	(454.24)
Non-cash:			
Foreign currency fluctuation impact	-	(504.93)	(504.93)
Impact of borrowings measured at amortised cost	30.34	250.17	280.51
As at March 31, 2022	**12,622.01**	**699,516.17**	**712,138.18**
Cash flows:			
Proceeds from debt securities/borrowings	-	**51,000.00**	**51,000.00**
Repayment of debt securities/borrowings	(4,522.94)	(248,799.32)	(253,322.26)
Repayment of lease liability	-	(542.70)	(542.70)
Non-cash:			
Addition in lease liability	-	**2,507.86**	**2,507.86**
Foreign currency fluctuation impact	-	130.38	130.38
Impact of borrowings measured at amortised cost	18.59	245.73	264.32
As at March 31, 2023	**8,117.66**	**504,058.12**	**512,175.78**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

37 Disclosures under Ind AS 19 (Employee benefits)

The details of various employee benefits provided to employees are as under:

Defined contribution plans

Particulars	As at March 31, 2023	As at March 31, 2022
Provident fund	71.63	65.52

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, 2023 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.

Principal assumptions:	Gratuity/Post Medical retirement benefit	
	As at March 31, 2023	As at March 31, 2022
Discount rate	7.39%	7.26%
Future salary increase	9.00%	9.00%
Retirement age	60/62	60/62
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

(a) The amounts recognised in Balance Sheet are as follows:

Principal assumptions:	Gratuity	
	As at March 31, 2023	As at March 31, 2022
A) Present Value of Defined Benefit Obligation		
- Wholly funded	222.69	246.66
- Wholly unfunded	-	-
	222.69	**246.66**
Less: Fair value of plan assets	(183.93)	(238.46)
Amount to be recognised as liability or (asset)	**38.76**	**8.20**
B) Amounts reflected in Balance Sheet		
Liabilities	38.76	8.20
Assets	-	-
Net liability	**38.76**	**8.20**

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(b) Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	As at 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
Service cost				
Current service cost	27.01	27.13	1.25	2.02
Past service cost and (gain)/Loss from settlements	-	-	-	-
Net interest expense	17.91	7.09	1.86	4.70
Component of defined benefit cost recognised in profit or loss	**44.92**	**34.22**	**3.11**	**6.72**
Amount recognised in Other comprehensive Income/profit and loss				
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(3.26)	7.05	(0.06)	(11.67)
Actuarial (gains)/ losses arising from experience adjustments	(2.24)	(11.82)	(14.99)	(38.61)
Actuarial (gains)/ losses arising from plan assets	(11.65)	-	-	-
Component of defined benefit cost recognised in Other comprehensive Income/profit and loss	**(17.15)**	**(4.77)**	**(15.05)**	**(50.28)**

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/profit and loss.

(c) Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	As at 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
Present value of obligation as at the beginning	246.66	217.21	25.59	69.15
Current service cost	27.01	27.13	1.25	2.02
Interest cost	17.91	7.09	1.86	4.70
Past service cost including curtailment gains/ losses	-	-	-	-
Benefits paid	(63.39)	-	-	-
Net actuarial (gain) / loss recognised	(5.50)	(4.77)	(15.05)	(50.28)
Present value of obligation as at the end	222.69	246.66	13.65	25.59

(d) 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 balance sheet is presented below:

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Present Value of unfunded defined benefit obligation	222.69	246.66
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**222.69**	**246.66**

Particulars	Post Medical retirement benefit	
	As at March 31, 2023	As at March 31, 2022
Present Value of unfunded defined benefit obligation	13.65	25.59
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**13.65**	**25.59**

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.

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.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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.

S. No	Particular	Gratuity			
		Effect of 0.5% basis Increase		Effect of 0.5% basis decrease	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	Impact of change in discount rate	(12.22)	(16.23)	12.40	14.89
2	Impact of change salary escalation rate	12.16	14.84	(12.09)	(13.71)

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2023	As at March 31, 2022
Average duration of the defined benefit obligation (in years)		
Less than 1 year	23.04	34.23
Between 1-2 years	11.08	21.47
Between 2-5 years	29.18	24.08
Over 5 years	173.03	192.47
Total	**236.33**	**272.25**

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, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	2,567.29	-	2,567.29	33,800.21	-	33,800.21
Bank balance other than cash and cash equivalents above	56,420.02	0.50	56,420.52	60,630.30	1,273.36	61,903.66
Derivative financial instruments	-	1,030.20	1,030.20	372.42	636.03	1,008.45
Trade receivables	419.73	-	419.73	110.62	-	110.62
Loans	104,425.14	580,286.96	684,712.10	209,671.28	596,260.15	805,931.43
Investments	-	9,125.14	9,125.14	23,171.86	11,830.76	35,002.62
Other financial assets	-	49.48	49.48	81.65	-	81.65
Non-financial assets						
Current tax assets (net)	-	909.41	909.41	-	9,385.73	9,385.73
Deferred tax assets (net)	-	5,012.92	5,012.92	-	3,159.44	3,159.44
Property, Plant and Equipment	-	686.24	686.24	-	827.68	827.68
Right of use-Buildings	-	2,348.32	2,348.32	315.84	-	315.84
Other intangible asset	-	7.08	7.08	-	14.25	14.25
Intangible assets under development	-	15.46	15.46	-	-	-
Other non-financial assets	135.93	-	135.93	91.42	-	91.42
Total Assets	**163,968.11**	**599,471.71**	**763,439.82**	**328,245.60**	**623,387.40**	**951,633.00**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	March 31, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
Financial liabilities						
Payables						
Trade Payables						
(i) total outstanding dues to micro and small enterprises	44.98	-	44.98	2.23	-	2.23
(ii) total outstanding dues of creditors other than micro and small enterprises	141.35	-	141.35	174.08	-	174.08
Debt securities	899.55	7,218.11	8,117.66	5,422.50	7,199.51	12,622.01
Borrowings (Other than debt securities)	119,660.80	382,044.62	501,705.42	205,030.05	494,098.58	699,128.63
Lease liability	562.78	1,789.92	2,352.70	387.54	-	387.54
Other financial liabilities	5,593.04	848.02	6,441.06	11,720.09	955.31	12,675.40
Non-financial liabilities						
Provisions	71.52	167.08	238.60	14.32	232.48	246.80
Other non-financial liabilities	123.93	-	123.93	9.02	-	9.02
Total Liabilities	**127,097.95**	**392,067.75**	**519,165.70**	**222,759.83**	**502,485.88**	**725,245.71**
Net equity	**36,870.16**	**207,403.96**	**244,274.12**	**105,485.77**	**120,901.52**	**226,387.29**

39 Segment reporting

The Company's main business is to provide project financing for entire 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
Key management personnel:	
Shri Deepak Amitabh	Chairman and Non-Executive Director (ceased w.e.f. 06th November, 2021)
Dr. Rajib Kumar Mishra	Chairman and Non-Executive Director (w.e.f. 08th November, 2021)
Dr. Pawan Singh	Managing Director and CEO
Shri Naveen Kumar	Whole Time Director (ceased w.e.f. 09th July, 2021 due to his superannuation)
Smt. Pravin Tripathi	Independent Director (ceased w.e.f. 14th October, 2021)
Shri Rakesh Kacker	Independent Director (ceased w.e.f. 31st December, 2021)
Shri Kamlesh Shivji Vikamsey	Independent Director (ceased w.e.f. 19th January 2022)
Shri Santosh Balachandran Nayar	Independent Director (ceased w.e.f. 19th January 2022)
Shri Thomas Mathew T.	Independent Director (ceased w.e.f. 19th January 2022)
Dr. Ajit Kumar	Nominee Director (ceased w.e.f. 08th April, 2021)
Shri Rajiv Malhotra	Nominee Director (ceased w.e.f. 06th November, 2021)
Ms. Renu Narang	Nominee Director (w.e.f. 21st June, 2021 and ceased w.e.f 10th December, 2021)
Shri Pankaj Goel	Nominee Director (w.e.f. 08th November, 2021)

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Name of related party	Nature of Relationship
Mrs. Sushama Nath	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 22nd November 2022)
Shri Jayant Purushottam Gokhale	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 02nd December 2022)
Shri Devendra Swaroop Saksena	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 02nd December 2022)
Shri Ramesh Narain Misra	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 30th December 2022)
Shri Naveen Bhushan Gupta	Independent Director (w.e.f. 15th November 2022)
Smt. Seema Bahuguna	Independent Director (w.e.f. 15th November 2022)
Mrs P V Bharathi	Independent Director (w.e.f. 15th November 2022)
Shri. Sanjay Rustagi	Chief Financial Officer
Shri Vishal Goyal	Company Secretary (ceased w.e.f. 25.06.2022)
Shri Mohit Seth	Company Secretary (w.e.f. 25th June 2022 and ceased w.e.f. 16th November 2022)
Smt. Shweta Agrawal	Company Secretary (w.e.f. 17.11.2022)

Transactions with the key management personnel during the year:

Particulars	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Dr. Pawan Singh	**Remuneration**		
	-Short-term benefits	160.48	91.72
	-Post-employment benefits	3.30	3.42
	-Other long-term benefits	7.51	3.65
		171.29	**98.79**
	Closing balance	0.25	0.17
Shri Naveen Kumar	**Remuneration**		
	-Short-term benefits	28.32	21.82
	-Post-employment benefits	-	-
	-Other long-term benefits	-	8.32
		28.32	**30.14**
	Closing balance	-	-
Shri Sanjay Rustagi	**Remuneration**		
	-Short-term benefits	81.81	44.02
	-Post-employment benefits	2.24	1.33
	-Other long-term benefits	3.89	2.22
		87.94	**47.57**
	Closing balance	-	-
Shri Vishal Goyal	**Remuneration**		
	-Short-term benefits	29.55	44.98
	-Post-employment benefits	9.70	2.23
	-Other long-term benefits	13.43	2.86
	Sale of Fixed assets	2.19	-
		54.87	**50.07**
	Closing balance	-	-
Shri Mohit Seth	**Remuneration**		
	-Short-term benefits	57.52	-
	-Post-employment benefits	1.72	-
	-Other long-term benefits	-	-
		59.24	**-**
	Closing balance	-	-

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Smt Shweta Agrawal	**Remuneration**		
	-Short-term benefits	26.58	-
	-Post-employment benefits	0.38	-
	-Other long-term benefits	0.51	-
		27.47	**-**
	Closing balance	0.30	-
Non-Executive Directors*	Sitting fees	78.80	56.40
	Reimbursement of expenses	0.34	0.40
		79.14	**56.80**
	Closing balance	4.68	-

*March 31, 2023 excludes ₹ 38.00 lakhs (March 31, 2022 ₹ 17.60 lakhs) which has been paid to the holding company as sitting fees of the directors.

Transactions with the related parties

Particulars	As at March 31, 2023	As at March 31, 2022
PTC India Limited		
Expenses reimbursed	9.65	19.07
Director sitting fees	38.00	17.60
PTC Energy Limited		
Interest income	456.08	852.92

Loans to fellow subsidiary company

PTC Energy Limited

Particulars	As at March 31, 2023	As at March 31, 2022
Beginning of the year	4,865.15	12,624.93
Loan Disbursed	-	-
Loan repayments received	(540.57)	(7,759.78)
Interest charged	456.08	852.92
Interest received	(456.08)	(852.92)
Interest reversal-Covid-19 moratorium	(7.07)	-
Interest reversal payment	7.07	-
End of the year	**4,324.58**	**4,865.15**
Maximum outstanding balance during the year	**4,865.15**	**12,624.93**

Shri Sanjay Rustagi (Car loan as per company's HR policy)

Particulars	As at March 31, 2023	As at March 31, 2022
Beginning of the year	9.14	9.88
Loan Disbursed	-	-
Loan repayments received	(1.50)	(1.50)
Interest charged	0.64	0.76
Interest received	-	-
End of the year	**8.28**	**9.14**
The interest amount will be recovered after the recovery of principal.		
Maximum outstanding balance during the year	**9.14**	**9.88**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2023	As at March 31, 2022
PTC India Limited	Receivables- other	-	13.12
PTC Energy Limited	Receivables- loan given	4,324.58	4,865.15
Shri Sanjay Rustagi	Receivables- loan given	8.28	9.14

41 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for borrowings and debt securities are:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	419.73	110.62
Loans	684,708.31	805,929.10
Property, Plant and Equipment - Building	-	6.52

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). 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.

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.

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	32.41%
Capital Adequacy ratio - Tier II	0.64%
	33.05%

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

43. Categories of financial instruments

The Carrying value of financial assets and liabilities are as follows :-

Particulars	As at March 31, 2023			
	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	9,125.14	-	-	9,125.14
Loans	-	-	684,712.10	684,712.10
Derivative assets	-	1,030.20	-	1,030.20
Trade Receivables	-	-	419.73	419.73
Cash and cash equivalents	-	-	2,567.29	2,567.29
Bank balances other than above	-	-	56,420.52	56,420.52
Other financial assets	-	-	49.48	49.48
Total financial assets	**9,125.14**	**1,030.20**	**744,169.12**	**754,324.46**
Financial liabilities				
Debt Securities	-	-	8,117.66	8,117.66
Borrowings (Other than debt securities)	-	-	501,705.42	501,705.42
Lease liability	-	-	2,352.70	2,352.70
Derivative liabilities	-	-	-	-
Trade payables	-	-	186.33	186.33
Other financial liabilities	-	-	6,441.06	6,441.06
Total financial liabilities	**-**	**-**	**518,803.17**	**518,803.17**

Particulars	As at March 31, 2022			
	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	11,830.76	-	23,171.86	35,002.62
Loans	-	-	805,931.43	805,931.43
Derivative assets	372.42	636.03	-	1,008.45
Trade Receivables	-	-	110.62	110.62
Cash and cash equivalents	-	-	33,800.21	33,800.21
Bank balances other than above	-	-	61,903.66	61,903.66
Other financial assets	-	-	81.65	81.65
Total financial assets	**12,203.18**	**636.03**	**924,999.43**	**937,838.64**
Financial liabilities				
Debt Securities	-	-	12,622.01	12,622.01
Borrowings (Other than debt securities)	-	-	699,128.63	699,128.63
Lease liability	-	-	387.54	387.54
Trade payables	-	-	176.31	176.31
Other financial liabilities	-	-	12,675.40	12,675.40
Total financial liabilities	**-**	**-**	**724,989.89**	**724,989.89**

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.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at March 31, 2023:

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	-	-	-	-
Derivative financial instruments				
- Derivative instruments (net)	-	-	-	-
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	9,125.14	9,125.14
Derivative financial instruments				
- Derivative instruments (net)	-	1,030.20	-	1,030.20

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	-	-	-	-
Derivative financial instruments				
- Derivative instruments (net)	-	372.42	-	372.42
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	11,830.76	11,830.76
Derivative financial instruments				
- Derivative instruments (net)	-	636.03	-	636.03

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, 2023 and March 31, 2022 :

Particulars	Investments in security receipts
As at March 31, 2021	**13,086.34**
Acquisitions	-
Gains/(losses) recognized in profit or loss	(6.14)
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(1,249.44)
As at March 31, 2022	**11,830.76**
Acquisitions	-
Gains/(losses) recognized in profit or loss	(198.38)
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(2,507.24)
As at March 31, 2023	**9,125.14**

There are no financial liabilities measured at fair value on recurring basis. There were no transfers between the 3 levels in the reporting periods.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Infrastructure Bonds	899.55	899.55	922.50	922.50
Debentures	7,218.11	6,559.53	11,699.51	11,714.36

Particulars	Fair value hierarchy As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Infrastructure Bonds	-	-	899.55	899.55
Debentures	-	-	6,559.53	6,559.53

Particulars	Fair value hierarchy As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Infrastructure Bonds	-	-	922.50	922.50
Debentures	-	-	11,714.36	11,714.36

The fair value of the financial assets and liabilities are disclosed 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:-

-Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments are 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 which 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, 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, other 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

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

The Board has the overall responsibility of risk management which take care of manageing 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 processes to provide early identification of possible deterioration 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, 2023	As at March 31, 2022
Loans	684,712.10	805,931.43
Investments in Debentures	-	23,171.86
Trade receivables	419.73	110.62
Cash and cash equivalents	2,567.29	33,800.21
Other bank balances	56,420.52	61,903.66
Other financials asset	49.48	81.65

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, 2023	As at March 31, 2022
Low credit risk		
Trade receivables	637.29	147.99
Cash and cash equivalents	2,567.29	33,800.21
Bank balances other than above	56,420.52	61,903.66
Loans	594,210.27	678,460.74
Investment in Debentures	-	23,300.05
Other financial assets	49.48	81.65
Moderate credit risk		
Loans	44,665.35	68,914.93
High credit risk		
Loans	100,492.00	105,194.40
Investments in Debentures	428.58	428.58

* These represent gross carrying values of financial assets without deduction of expected credit losses

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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 borrowers 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 loan receivables amounts 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 include security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

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 its borrowers done by RBI approved credit rating agencies like ICRA, CARE, CRISIL and India rating etc.

These two together helps the Company in better monitoring of its borrowers. The stageing criteria for ECL computation is also driven by these two criteria. Stageing 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 stageing 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, if any borrower whose contractual payments are due for more than 90 days, 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 is used for estimation of PD. ICRA's one-year transition matrix is used as the base probability of default matrix.

Stage 1: 12-month PDs are taken directly from one-year transition matrix and so, Point in Time (PIT) conversion is not done, as it is already giving PIT PDs.

Stage 2: PD for second year onwards is estimated using Matrix Multiplication Approach.

Stage 3: As the accounts classified into stage 3 are non-performing assets so probability of default is 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

For Stage 1 accounts, if the residual maturity of the facility is greater than 12 months, the derived ECL estimates will be discounted by one year; if the residual maturity of the facility is less than 12 months, the derived ECL estimates will be discounted by the residual maturity of the facility.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

For Stage 2 accounts, annual ECL estimates will be discounted from first year onwards to arrive at the ECL for current year.

As at March 31, 2023, 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 or borrower has defulted in payment beyond 90 days. For measuring expected credit loss (ECL) allowance 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, sustainable debt under resolution plan 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.

Basis of calculating loss rates

First step involved in ECL computation is stageing of the assets into three categories. Stageing 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 are considered for stage wise classification of credit exposures:

1. Stage III exposures are 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 is envisaged.
2. Stage II exposure are exposures which are not considered impaired asset but were classified as 'Stressed Accounts' or are flagged as High-Risk Category.
3. All other accounts not meeting the first two criteria are classified as Stage 1 accounts.

Quantitative and qualitative factors considered along with quantification w.r.t loss rates

Impact of specific risk factors are taken into account while stageing of accounts and computation of PD. External credit rating is also used for stageing criteria. The industry of the borrower is also considered for classification of the borrower. If a borrower belonged to an industry under stress, then the borrower is classified as stage 2 or 3 account.

For computation of loss given default, haircuts on collateral, based on subjective parameters are used.

- Sector/Sub-sector

- Source of Power Generation

- PPA Status

A.2.4 Forward looking information incorporated in ECL models

The PDs are derived using the relationship of historic default rates of the portfolio and respective macroeconomic variable (GDP growth rate). Worst, Mild and Best scenarios are created for all the macroeconomic variable and default rates are estimated for all the four scenarios. The scenarios are 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 are created/built to compute the shock factors.

These shock factors were then added to the base PD term structure, which is arrived using the matrix multiplication technique, thereby creating four different PD term structures for the four Scenarios. These shocked PDs are 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, 2023**		As at March 31, 2022	
	Exposure	**Impairment allowance**	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage III)	100,491.91	44,931.81	105,194.40	37,360.85
Loan assets having significant increase in credit risk (Stage II)	44,665.35	5,585.88	68,914.93	4,726.50
Other loan assets (Stage I)*	594,210.36	4,137.83	678,460.74	4,551.29
Total	**739,367.62**	**54,655.52**	**852,570.07**	**46,638.64**

*Includes loans amounting to ₹ 27.48 lakhs (Previous year ₹ 32.73 lakhs) given to employees.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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, Government 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

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 Stage 2 or stage 3 due to financial instruments experiencing significant increase (or decrease) 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:

Loss allowance	Stage 1	Stage 2	Stage 3	
	12 months ECL	Lifetime ECL	Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Balance as at April 1, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**
Transfer to/ from 12 months ECL	581.97	(581.97)	-	-
Transfer to/ from life time ECL not credit impaired	(1,522.38)	1,522.38	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(3.14)	3.14	-
Net remeasurement of loss allowance	2,251.96	1,472.63	13,075.95	**16,800.54**
Write offs	-	-	(33,028.39)	**(33,028.39)**
Balance as at March 31, 2022	**4,551.29**	**4,726.50**	**37,360.85**	**46,638.64**
Loans and advances to customers at amortised cost				
Balance as at April 1, 2022	**4,551.29**	**4,726.50**	**37,360.85**	**46,638.64**
Transfer to/ from 12 months ECL	-	-	-	-
Transfer to/ from life time ECL not credit impaired	(1,043.95)	1,043.95	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(2,996.08)	2,996.08	-
Net remeasurement of loss allowance	630.48	2,811.51	4,574.89	**8,016.88**
Write offs	-	-	-	-
Balance as at March 31, 2023	**4,137.82**	**5,585.88**	**44,931.82**	**54,655.52**

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

The following table further explains changes in the gross carrying amount of the loan portfolio to help in explaing their significance to the changes in the loss allowance for the same portfolio as discussed above:

Gross Exposure	Stage 1	Stage 2	Stage 3	
	12 months ECL	Lifetime ECL	Lifetime ECL	Total
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2021	832,951.49	91,349.19	134,638.02	**1,058,938.70**
Transfer to/ from 12 months ECL	5,819.72	(5,819.72)	-	-
Transfer to/ from life time ECL not credit impaired	(15,222.23)	15,222.23	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(314.00)	314.00	-
New Financial assets originated or purchased	388,781.89	1.40	-	388,783.29
Financial Assets that have been recognised/ (derecognised)	(533,902.86)	(31,524.17)	3,270.77	**(562,156.26)**
Write offs	-	-	(33,028.39)	**(33,028.39)**
Balance as at March 31, 2022	**678,428.01**	**68,914.93**	**105,194.40**	**852,537.34**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2022	**678,428.01**	**68,914.93**	**105,194.40**	**852,537.34**
Transfer to/ from 12 months ECL	-	-	-	-
Transfer to/ from life time ECL not credit impaired	(10,816.34)	10,816.34	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(14,228.75)	14,228.75	-
Net remeasurement of loss allowance	-	-	-	-
New Financial assets originated or purchased	224,410.00	879.00	-	**225,289.00**
Financial Assets that have been derecognised	(297,838.88)	(21,716.17)	(18,931.15)	**(338,486.20)**
Write offs	-	-	-	-
Change in Model risk parameters	-	-	-	-
Foreign exchange and other movements	-	-	-	-
Balance as at March 31, 2023	**594,182.79**	**44,665.35**	**100,492.00**	**739,340.14**

A.5 Concentration of credit risk

The Management of the Company has identified and monitors concentration of credit risk in the following categories.

Industry/ Sector	As at March 31, 2023	As at March 31, 2022
Gross carrying amount of loans*		
Concentration by Industry/ Sector		
Coal Mining	4,111.46	4,266.11
Electric Mobility	8,786.67	21,214.96
Hydro	-	15,459.97
Manufacturing	144.54	264.54
Other Infrastructure	29,855.48	-
Port	14,351.48	14,492.55
Road	78,616.32	125,264.26
Solar	79,362.65	139,602.71
State Power Utility	290,819.59	251,664.23
Thermal	53,189.53	76,801.17
Transmission	40,834.68	65,347.08
Water - Sewage treatment	6,682.92	2,970.85
Wind	132,584.82	135,188.91
	739,340.14	**852,537.34**

*Excludes loans amounting to ₹ 27.48 lakhs (Previous year ₹ 32.73 lakhs) given to employees.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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 in statement of profit and loss.

i) Expected credit losses for financial assets other than loans

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, 2023	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,567.29	0%	-	2,567.29
Other bank balance	56,420.52	0%	-	56,420.52
Investments	-	0%	-	-
Trade receivables	419.73	52%	217.56	202.17
Other financial assets	49.48	0%	-	49.48

As at March 31, 2022	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	33,800.21	0%	-	33,800.21
Other bank balance	61,903.66	0%	-	61,903.66
Investments	23,300.05	1%	128.19	23,171.86
Trade receivables	147.99	25%	37.37	110.62
Other financial assets	81.65	0%	-	81.65

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, 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	419.73	-	-	-	419.73
Cash and Cash Equivalents	2,567.29	-	-	-	2,567.29
Fixed Deposit with banks (other than above)	56,420.02	0.50	-	-	56,420.52
Derivative assets	-	1,030.20	-	-	1,030.20
Loans	157,674.48	284,136.30	189,214.51	311,587.24	942,612.53
Other financial assets	49.48	-	-	-	49.48
Total	**217,131.00**	**285,167.00**	**189,214.51**	**311,587.24**	**1,003,099.75**

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(All amounts in Lakhs of ₹ unless otherwise stated)

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	110.62	-	-	-	110.62
Cash and Cash Equivalents	33,800.21	-	-	-	33,800.21
Bank balance other than (a) above	60,630.30	1,273.36	-	-	61,903.66
Derivative assets	372.42	-	636.05	-	1,008.47
Loans	265,535.28	239,930.00	181,894.75	441,453.60	1,128,813.63
Other financial assets	81.65	-	-	-	81.65
Total	**360,530.48**	**241,203.36**	**182,530.80**	**441,453.60**	**1,225,718.24**

Maturities of financial liabilities

The tables below analyse the financial 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

March 31, 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	160,097.52	258,051.43	158,475.42	43,472.09	620,096.46
Lease liability	562.78	1,168.12	1,116.83	-	2,847.73
Derivative liabilities	-	-	-	-	-
Trade payables	186.33	-	-	-	186.33
Other financial liabilities	-	-	-	-	-
Total	**160,846.63**	**259,219.55**	**159,592.25**	**43,472.09**	**623,130.52**

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	260,151.96	286,160.90	224,013.82	107,686.18	878,012.86
Lease liability	387.54	-	-	-	387.54
Derivative liabilities	-	0.02	-	-	0.02
Trade payables	176.31	-	-	-	176.31
Other financial liabilities	11,720.09	955.31	-	-	12,675.40
Total	**272,435.90**	**287,116.23**	**224,013.82**	**107,686.18**	**891,252.13**

Note: To address the risk of mismatch between pay-out of liabilities and realisation of assets in next one year, the Company had undrawn sanctioned borrowing facilities of ₹ 30,078 Lakhs

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 manageing 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, 2023	As at March 31, 2022
Financial liabilities (USD)		
Foreign currency loan (INR)	5,638.45	14,111.08
Net exposure to foreign currency risk (liabilities)	**5,638.45**	**14,111.08**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at March 31, 2023	As at March 31, 2022
USD sensitivity*		
INR/USD- increase by 492 bp (March 31, 2022: 464 bp)	277.41	654.75
INR/USD- decrease by 492 bp (March 31, 2022: 464 bp)	(277.41)	(654.75)

* 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, 2023, 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, 2023	As at March 31, 2022
Variable rate borrowing	498,419.67	692,400.54
Fixed rate borrowing	13,756.11	19,737.64
Total borrowings	**512,175.78**	**712,138.18**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates

Particulars	As at March 31, 2023	As at March 31, 2022
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2022:100 bps)	(4,984.20)	(6,924.01)
Interest rates – decrease by 100 basis points (March 31, 2022:100 bps)	4,984.20	6,924.01

* Holding all other variables constant

ii) **Assets**

The Company's fixed deposits are carried at amortised cost and are fixed rate bearing 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, 2023	As at March 31, 2022
Variable rate loans	709,333.81	823,787.09
Fixed rate loans*	30,033.81	28,782.98
Total loans	**739,367.62**	**852,570.07**

*Includes loans amounting to ₹ 27.48 lakhs (March 31, 2022 ₹ 32.73 lakhs) given to employees.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2022:100 bps)	7,093.34	8,237.87
Interest rates – decrease by 100 basis points (March 31, 2022:100 bps)	(7,093.34)	8,237.87

* Holding all other variables constant

(All amounts in Lakhs of ₹ unless otherwise stated)

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, 2023 would increase / decrease by ₹ Nil (for the year ended March 31, 2022: ₹ Nil) as a result of the changes in fair value of equity investments measured at FVTOCI.

C) **Legal and operational risk**

i) **Legal risk**

Legal and operational risk Legal risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.

The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, nagative publicity,etc. are significantly reduced, As at March 31, 2023, there are no material legal cases pending against the Company. The management believes that no substamlal liability Is likely to arise from these cases.

ii) **Operational risk**

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks In the underlaying processes. The framework at its core, has the following elements:

1. Documented Operational Risk Management Policy.
2. Well defined Governance Structure.
3. Use of identification and Monltonng tools such as Loss Data "Capture, Key Risk Indicators. BRisk Operation Grading of branches every quarter.
4. Standardized reporting templates . reporting structure and frequency.

The Company has adopted the internationally accepted 3-lines of defence approach to operational risk management.

First line - Field Operations, Central Operation & Product function. Credlt and Internal Control & Quality vertical exercise & also evaluate internal compliance and thereby lay down/calibrates processes & policies for further improvement. Thus, the approach is "Bottom-up" ensuring acceptance of findings and faster adoption of corrective actions. if any to ensure mitigation of perceived risks.

Second line - Independent risk management vertical supports the first line in providing deep analytics insights. Influencing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis. Third line - Internal Audit conducts periodic risk-based audits of all functions and process to provide an independent assurance to the Audit Committee.

46 Ind AS 116 Leases

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) The weighted average incremental borrowing rate applied to lease liabilities recognised was 8.11%. (previous year 10.24%)

(b) The following are amounts recognised in profit or loss:

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
Depreciation expense of right-of-use assets	436.24	419.25
Interest expense on lease liabilities	61.58	62.62
	497.82	**481.87**

(c) The following are amounts recognised in statement of cash flows:

Total cash outflow for leases	542.70	454.24

Please refer note 45(B) for maturity analysis of lease liability and maturity analysis of contractual undiscounted cash flows

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(d) Change in carrying amount of right to use of assets

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
i)	**Carrying value of right to use of assets**	1,574.76	1,574.76
	Add : Addition during the year	2,468.72	-
	Less : Deletion/adjustment during the year	(1,574.76)	-
	Closing balance on reporting period	2,468.72	1,574.76
ii)	**Depreciation on right to use of assets**		
	Opening balance on reporting period	1,258.92	839.67
	Add : Charge for the year	436.24	419.25
	Less : Deletion/adjustment during the year	(1,574.76)	-
	Closing balance on reporting period	120.40	1,258.92
	Net Block (i-ii)	**2,348.32**	**315.84**

47 Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2023

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	594,210.36	4,137.83	590,072.53	2,376.84	1,760.99
	Stage 2	44,665.35	5,585.88	39,079.47	178.66	5,407.22
	Stage 3	29,292.51	**4,361.38**	**24,931.13**	**10,412.38**	**(6,051.00)**
Subtotal		**668,168.22**	**14,085.09**	**654,083.13**	**12,967.88**	**1,117.21**
Non-Performing Assets (NPA)						
Substandard	Stage 3	13,440.96	4,724.83	8,716.13	1,344.10	3,380.73
Doubtful - upto 1 year	Stage 3	312.92	116.11	196.81	135.30	(19.19)
1 to 3 years	Stage 3	15,000.00	9,720.75	5,279.25	11,199.53	(1,478.78)
More than 3 years	Stage 3	4,331.81	4,030.70	301.11	4,099.67	(68.97)
Subtotal for doubtful (Refer Note)		**19,644.73**	**13,867.56**	**5,777.17**	**15,434.50**	**(1,566.94)**
Loss	Stage 3	**38,113.71**	**21,978.04**	**16,135.67**	**38,114.18**	**(16,136.14)**
Subtotal for NPA		71,199.40	40,570.43	30,628.97	54,892.78	(14,322.35)
Subtotal		-	-	-	-	-
Total	**Stage 1**	**594,210.36**	**4,137.83**	**590,072.53**	**2,376.84**	**1,760.99**
	Stage 2	**44,665.35**	**5,585.88**	**39,079.47**	**178.66**	**5,407.22**
	Stage 3	**100,491.91**	**44,931.81**	**55,560.10**	**65,305.16**	**(20,373.35)**

Note: ₹ 27,371.36 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 23. and accordingly no additional provision has been created during the year.

The loan asset classified in stage III, under standard assets, amounting to ₹ 29,292.51 lakhs pertain to the borrower which has been overdue for more than one year however, in accordance with judicial pronouncement related this asset/ account, the account is not classified as NPA as at March 31, 2023. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 4,361.38 lakhs and Impairment reserve amounting to ₹ 6,051.01 lakhs as at March 31, 2023.

One of the loan asset classified in stage III under loss category , amounting to ₹ 23,942.79 lakhs, pertain to the borrower which is classified as NPA on Feb 02, 2022 after completion of resolution plan and declaration of such asset as “Fraud’ to RBI in Feb, 2022. However, for presentation in the table above,

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

the categorisation is done based on actual dates since the account became overdue from December 1, 2018. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 9,409.61 lakhs and Impairment reserve amounting to ₹ 14,533.57 lakhs as at March 31, 2023.

Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2022

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	678,428.01	4,551.29	673,876.72	2,713.71	1,837.58
	Stage 2	68,914.93	4,726.50	64,188.43	988.64	3,737.86
	Stage 3	**33,213.48**	**4,063.48**	**29,150.00**	**10,852.00**	**(6,788.52)**
Subtotal		780,556.42	13,341.27	767,215.15	14,554.35	(1,213.08)
Non-Performing Assets (NPA)						
Substandard	Stage 3	312.60	2.65	309.95	31.40	(28.75)
Doubtful - upto 1 year	Stage 3	12,766.51	207.04	12,559.47	2,553.31	(2,346.27)
1 to 3 years	Stage 3	38,069.47	18,127.05	19,942.42	33,679.42	(15,552.37)
More than 3 years	Stage 3	8,332.34	2,460.64	5,871.70	5,116.09	(2,655.45)
Subtotal for doubtful (Refer Note)		**59,168.32**	**20,794.73**	**38,373.59**	**41,348.82**	**(20,554.09)**
Loss	Stage 3	12,500.00	12,500.00	-	12,500.00	-
Subtotal for NPA		71,980.92	33,297.38	38,683.54	53,880.22	(20,582.84)
Total	**Stage 1**	**678,428.01**	**4,551.29**	**673,876.72**	**2,713.71**	**1,837.58**
	Stage 2	**68,914.93**	**4,726.50**	**64,188.43**	**988.64**	**3,737.86**
	Stage 3	**105,194.40**	**37,360.86**	**67,833.54**	**64,732.22**	**(27,371.36)**

Note: ₹ 27,371.36 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 23.

The loan asset classified in stage III, under standard assets, amounting to ₹ 33,213 lakhs pertain to the borrower which has been overdue for more than one year however, in accordance with judicial pronouncement related this asset/ account, the account is not classified as NPA as at March 31, 2022. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 4,063 lakhs and Impairment reserve amounting to ₹ 6,789 lakhs as at March 31, 2022.

One of the loan asset classified in stage III under doubtfull 1 to 3 years, amounting to ₹ 23,069 lakhs, pertain to the borrower which is classified as NPA on Feb 02, 2022 after completion of resolution plan and declaration of such asset as "Fraud' to RBI in Feb, 2022. However, for presentation in the table above, the categorisation is done based on actual dates since the account became overdue from December 1, 2018. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 9,400 lakhs and Impairment reserve amounting to ₹ 13,669 lakhs as at March 31, 2022.

48 Earnings per share

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
a) Basic earnings per share	2.74	2.02
b) Diluted earnings per share	2.74	2.02
c) Reconciliations of earnings used in calculating earnings per share		

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
Profits attributable to the equity holders of the company used in calculating basic and diluted earnings per share	17,580.72	12,998.48

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

d) Weighted average number of shares used as the denominator

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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.

49 Foreign currency disclosure

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Earning in foreign currency	-	-
b) Expenses in foreign currency	608.92	1,056.70
b) Principal repayment	8,743.32	8,504.05

50 Expenditure on Corporate Social Responsibility

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Gross amount required to be spent	201.56	82.20
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	87.85	21.00
(c) Shortfall at the end of the year	113.71	61.20
(d) Total of previous years shortfall	113.71	61.20
(e) Reason of shortfall (*)		
(f) Nature of CSR activities (**)		

** Promoting health care including preventive health care; Setting up old age homes, day care centers and such other facilities for senior citizens; protection of flora and fauna; Contributions to public funded Universities; Indian Institute of Technology (IITs); Ensuring environmental sustainability, ecological balance and Making available safe drinking water

(g) Details of related party trasactions	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately		
At the beginning of the year	-	-
Fresh provision made during the year	-	-
Payment made during the year	-	-
At closing of the year	-	-

(*) unspent amount of current year amounting to ₹ 113.71 lakhs has been subsequently transferred to the UNSPENT CSR ACCOUNT. Moreover, the unspent CSR amount of ₹ 82.20 lakhs pertaining to FY 2021-22 was paid to IIT Delhi on 29th September 2022.

(**) 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.

51 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.

52 During the year ended March 31, 2023 there was delay in transferring of 30,010 nos. equity shares and unclaimed divident of ₹ 7.20 lakhs to the Investor Education and Protection Fund ('IEPF'). Further there is no amount due for payment to the IEPF as at the year end.

53 Details of statutory dues which have not been deposited as on March 31, 2023 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	1,094.74
		Upto Commissioner (Appeals)	2012-13, 2014-15, 2017-18	781.42	70.91

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

54 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:-

a) The title deeds of Immovable properties of the Company are held in the name of the Company.

b) There is no proceeding initiated or pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

c) The Company is not declared wilful defaulter by any bank or financial Institution or any other lenders.

d) The Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act.

e) There is no scheme of arrangement which has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

f) There were no transaction that had not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h) The Company does not have borrowings from banks or financial institutions on the basis of security of current assets. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation.

i) The Company being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company has also borrowed funds from banks, financial institutions in compliance with regulatory requirements in the ordinary course of business other than trascations discribed above, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

j) All the charges with respect to borrowings have been created in favor of lenders with ROC within statutory timeline during the financial year FY 2022-23. Further satisfaction of charges for certain borrowings which were duly repaid to lenders are due for satisfaction with ROC as at March 31, 2023.

k) The Company has not entered into any transactions with the companies struck off under section 248 of the Act or section 560 of the Companies Act, 1956.

l) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are: (a)repayable on demand or (b) without specifying any terms or period of repayment

55 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post employment has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet Issued. The Company will assess the impact of the Code and will give approprjate Impact In the financial statements in the period In which, the Code becomes effective and the related rules to determine the financial impact are published.

56 (a) On January 19, 2022, three independent directors 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 the Company, submitted its forensic audit report (FAR). The Company engaged a reputed professional services firm to independently review the 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. The management's responses and remarks of professional services firm, together with report of forensic auditor, had been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022 and Board observed that forensic auditor has not identified any event having material impact on the financials of the Company and has not identified any instance of fraud and/or diversion of funds by the Company. 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 the Company 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 the Company and also have not identified any instances of fraud and diversion of funds by the Company 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 (read with note no. 58 below) to the Company 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 the Company 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.The management believes that there will be no material financial impact of these on the state of affairs of the Company.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(b) Post resignation of ex-independent directors (as stated above), the Company has not been able to comply with the various provisions of Companies Act, 2013 related to constitution of committees of the Board and timely conduct of their meetings during the period January 19, 2022 to till July 15, 2022 (except the Audit Committee and NRC duly constituted on April 6, 2022), read with note no. 56(a) above.The management believes that there will be no material financial impact due to fines/penalties arising from such process.

(c) Two independent directors of the Company in their resignation letters, each dated December 2, 2022 raised certain matters which includes, the issues raised by the erstwhile independent directors of PFS (who resigned on January 19, 2022). The Company has rebutted these fully and submitted its reply with the stock exchanges and Reserve Bank of India and in this regard presently communications/correspondences is going on and the management believes that there will be no material financial impact of these on the state of affairs of the Company.

(d) The certain pending minutes of meetings of audit committee and IT strategy commitee held since April 8, 2022 till November 14,2022 have been finalized by Company, 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.Company believes that the relevant provisions of Companies Act,2013 have been complied with and there will be no material impact on state of affairs of the Company.

e) 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 the Company, on matters of Corporate Governance Issues raised by Independent Directors who resigned on January 19, 2022 and December 2, 2022, as detailed in (a) & (c) 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 the Audit Committee and the 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). The Company 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 the Company and the same has been noted and taken on record by the Audit Committee and Board of Directors in their respective meetings held on May 18, 2023.

57 As at March 31, 2023, for loans under stage I and stage II, the management has determined the value of secured portion on the basis of best available information including book value of assets/projects as per latest available balance sheet of the borrowers, technical and cost certificates provided by the experts and valuation of underlying assets performed by external professionals appointed either by the Company or consortium of lenders. For loan under stage 3, the management has determined the value of secured portion on the basis of best available information, including valuation of underlying assets by external consultant/resolution professional (RP) for loan assets under IBC proceedings,sustainable debt under resolution plan, claim amount in case of litigation and proposed resolution for loan under resolution through Insolvency and Bankruptcy Code (IBC) or settlement. 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.

58 The Company had received a communication from ROC on March 28, 2018, pursuant to complaints received from identified third parties, alleging mismanagement in the Company's operations. The Company had submitted its reply dated April 18, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. Company received another letter dated September 24, 2021 u/s 206(4) of the Companies Act, 2013 from Office of Registrar of Companies, Ministry of Corporate affairs initiating inquiry and seeking specified information/documents, primarily related to the period upto FY 2018-19. The Company has submitted the reply, with requisite information/documents, in response to the letter on October 22, 2021.In this regard correpondances with ROC is going on and management believes that there will no material impact on final closer inquiry by ROC.

59 As on March 31, 2023, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date.

60 Disclosures pursuant to Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular R BI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

Particulars	During the year ended March 31, 2023
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

61 Previous year, other comprehensive income includes profit (net of tax) amounting to ₹ 795.64 lakhs by selling 21,904,762 nos. of equity shares of M/s Patel Engineering Limited which were acquired as a part of one time settlement of loan of M/s Dirang Energy Pvt. Ltd.

62 On November 12, 2021, the Reserve Bank of India ("RBI") had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms ("IRACP norms") pertaining to Advances. On February 15, 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30, 2022. Same has been implemented by the company and there is no financial impact in FY 2022-23.

63 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure. The audited standalone financial statements of the Company for the year ended 31st March 2022 were audited by the predecessor auditor who expressed modified opinion vide their report dated 16th November, 2022.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

64 Ratios to be disclosed as per requirements of Schedule III of the Act

Particulars		**Year ended March 31, 2023**	Year ended March 31, 2022
A.	Capital to risk-weighted assets ratio (CRAR)		
	Capital	212,572.89	199,018.79
	Risk-weighted assets ratio	643,047.82	745,057.49
	Capital to risk-weighted assets ratio (CRAR)	33.06%	26.71%
	% Change as compared to the preceeding year	23.78%	10.83%
B.	Tier I CRAR		
	Tier I capital	208,435.06	194,467.50
	Risk-weighted assets ratio	643,047.82	745,057.49
	Tier I CRAR	32.41%	26.10%
	% Change as compared to the preceeding year	24.21%	10.15%
C.	Tier II CRAR		
	Tier II capital	4,137.83	4,551.29
	Risk-weighted assets ratio	643,047.82	745,057.49
	Tier II CRAR	0.64%	0.61%
	% Change as compared to the preceeding year	5.36%	50.86%
D.	Liquidity coverage ratio		
	High quality liquid assets	65,411.00	85,698.00
	Total net cash flows	65,622.63	97,696.73
	Liquidity coverage ratio	99.68%	87.72%
	% Change as compared to the preceding year	13.63%	-0.51%
E.	Current Ratio (1)	Not Applicable	Not Applicable
F.	Debt equity ratio (2)	2.09	3.14
	% Change as compared to the preceeding year (note 5)	-33.62%	-28.06%
G.	Debt service coverage ratio (1)	Not Applicable	Not Applicable
H.	Return on equity ratio (3)	7.47%	5.93%
	% Change as compared to the preceeding year (note 6)	25.96%	386.13%
I.	Trade receivable turnover ratio (1)	Not Applicable	Not Applicable
J.	Trade payable turnover ratio (1)	Not Applicable	Not Applicable
K.	Net capital turnover ratio (1)	Not Applicable	Not Applicable
L.	Net profit ratio (4)	22.06%	13.42%
	% Change as compared to the preceeding year (note 6)	64.38%	416.97%
M.	Return on capital employed (1)	27.19%	33.29%
	% Change as compared to the preceeding year	-18.32%	-16.49%
N.	Return on investment (1)	Not Applicable	Not Applicable

Notes :-

1 The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are not applicable

2 Debt - equity ratio = (debt securities + borrowings - other than debt securities + subordinated liabilities) / net worth, where net worth is aggregate of equity share capital and other equity

3 Return on equity ratio = profit after tax / average net worth

4 Net profit ratio = profit after tax / total income

5 Due to reduction of debt in the current year

6 Due to the increase in net profit after tax

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

65. Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company

(as required in terms of paragraph 19 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)	8,117.66	-
		: Unsecured	-	-
		(other than falling within the meaning of public deposits)		
	(b)	Deferred Credits	-	-
	(c)	Term Loans	501,705.42	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits	-	-
	(g)	Other Loans		
		(i) financial institutions		
		(ii) Lease liability	2,352.70	-
(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 out-standing**
(3)	**Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:**		
	(a)	Secured (net of provision** of ₹ 54,655.52 lakhs)	684,708.31
	(b)	Unsecured*(net of provision** of ₹ 217.56 lakhs) as per ECL Policy	608.93
(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 ₹ 419.73 lakhs, Other financial assets ₹ 49.48 lakhs, Other Non-Financial assets ₹ 135.93 lakhs and loans to employees ₹ 3.79 lakhs.

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Assets side:			Amount out-standing
	Long Term 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 (net of provisions ₹ 23,995.69 lakhs)	-
		(b) Preference	-
	(ii)	Debentures and Bonds (net of provisions ₹ 428.58 lakhs)	-
	(iii)	Units of mutual funds	
	(iv)	Government Securities	-
	(v)	Others (Security Receipts) (net of accumulated decrease in fair value ₹ 432.42 lakhs)*	9,125.14
		Total	**9,125.14**

*In accordance with the Company's accounting policy, the security receipts are recognised at FVTPL and ₹ 432.42 lakhs (March 31, 2022: 15.81 lakhs) represents the accumulated decrease in fair value from inception till date. The Company has provided ₹ 198.38 lakhs (March 31, 2022: ₹ 6.14 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)	4,324.58	-	4,324.58
	(c) Other related parties	-	-	-
2.	Other than related parties	680,383.73	608.93	680,992.66
	Total	**684,708.31**	**608.93**	**685,317.24**

(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 (net of provisions ₹ 6,979.72 lakhs)	-	-
	(c) Other than related parties (net of provisions ₹ 17,445.55 lakhs)	-	-
2.	Other than related parties (Refer Note 9)	9,125.14	9,125.14
	Total	**9,125.14**	**9,125.14**

Other Information		
(8)	**Particulars**	**Amount**
(i)	Gross Non-Performing Assets	
	(a) Related parties	428.58
	(b) Other than related parties	71,199.40
(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	30,628.97
(iii)	Assets acquired in satisfaction of debt	-

The Company has gross recoverable and net recoverable amounting to ₹ 29,292.51 lakhs (previous year ₹ 33,213.48 lakhs) and ₹ 24,931.13 lakhs (previous year ₹ 29,150.00 lakhs) respectively, as at March 31, 2023 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.

65.1 Disclosure of restructured accounts

‘(as required in terms of paragraph 25 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					Under SME Debt restructuring mechanism					Other					Total				
	Assets classification / Details		Standard	Sub-standard	Doubtful	Loss	Total	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, 2022	No. of borrowers (Nos)	-	-	2	-	2	-	-					-	1	-	1	-	-	3	-	3
		Amount outstanding	-	-	2,022.24	-	2,022.24	-	-	-	-	-	-	-	12,500.00	-	12,500.00	-	-	14,522.24	-	14,522.24
		Provision thereon**	-	-	103.14	-	103.14	-	-	-	-	-	-	-	12,500.00	-	12,500.00	-	-	12,603.14	-	12,603.14
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)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured accounts as on March 31, 2023	No. of borrowers (Nos)	-	-	2	-	2	-	-	-	-	-	-	-	1	-	1	-	-	3	-	3
		Amount outstanding	-	-	1815.46*	-	1,815.46	-	-	-	-	-	-	-	12,500.00	-	12,500.00	-	-	14,315.46	-	14,315.46
		Provision thereon**	-	-	152.21	-	152.21	-	-	-	-	-	-	-	12,500.00	-	12,500.00	-	-	12,652.21	-	12,652.21

* During the year ₹ 206.78 lakh has been recovered by sale of partial assets of both the loan accounts.
** As per ECL policy

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

65.2 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, 2023	Year ended March 31, 2022
(i) CRAR (%)	33.05%	26.71%
(ii) CRAR - Tier I Capital (%)	32.41%	26.10%
(iii) CRAR - Tier II Capital (%)	0.64%	0.61%
(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, 2023	Year ended March 31, 2022
1. Value of Investments		
(i) Gross Value of Investments		
(a) In India	33,981.84	60,267.31
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	24,856.70	25,264.69
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	9,125.14	35,002.62
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	25,264.69	25,949.02
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	(407.99)	(684.33)
(iv) Closing balance	**24,856.70**	**25,264.69**

III. (a) Forward rate agreement /interest rate swap

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) The notional principal of swap agreements	4,597.31	7,115.63
(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	1,030.20	636.05

(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, 2023 as well as in the previous year ended March 31, 2022.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

IV. Disclosures on risk exposure in derivatives

(a) Quantitative disclosures

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)				
For hedging	-	-	5,930.02	5,930.02
(ii) Marked to Market Positions [1]	-			
Asset (+)	-	-	372.42	-
Liability (-)	-	-	-	-
(iii) Credit Exposure [2]	-	-	-	-
(iv) Unhedged Exposures*	-	-	1,135.00	1,135.00

V. Disclosures relating to securitisation

The Company does not have any securitised assets as at March 31, 2023 as well as in the previous year ended March 31, 2022.

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, 2023.

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(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, 2023	Year ended March 31, 2022
(i)	No. of accounts	-	-
(ii)	Aggregate value of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

Note: Excluding undisbursed amount of ₹ 13,000.00 lakhs incase of one borrower has been assigned to Central Bank of India.

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.

IX. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2023

Particulars	1 to 7 days	8 to 14 days	15 to 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	-	926.65	4,372.53	-	21,646.97	31,969.51	59,073.39	198,008.25	140,957.79	39,111.88	496,066.97
Market Borrowings			-	-	-	-	899.55	7,218.11	-	-	8,117.66
ECB loans			417.94	-	-	417.94	835.87	3,966.70	-	-	5,638.45
Total	**-**	**926.65**	**4,790.47**	**-**	**21,646.97**	**32,387.45**	**60,808.81**	**209,193.06**	**140,957.79**	**39,111.88**	**509,823.08**

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	1 to 7 days	8 to 14 days	15 to 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
Assets											
Receivables under financing activity (net)	2,111.88	-	4,205.00	7,592.03	7,736.39	24,781.38	57,998.46	201,596.52	140,548.59	238,141.85	684,712.10
Investment (net)	-	-	-	-	-	-	-	-	-	9,125.14	9,125.14
Total	**2,111.88**	**-**	**4,205.00**	**7,592.03**	**7,736.39**	**24,781.38**	**57,998.46**	**201,596.52**	**140,548.59**	**247,266.99**	**693,837.24**

Maturity pattern of certain items of assets and liabilities as at March 31,2022

Particulars	1 to 7 days	8 to 14 days	15 to 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	24,992.24	-	67,220.63	16,250.00	17,486.26	21,859.06	48,717.57	212,979.00	178,309.70	97,203.09	685,017.55
Market Borrowings			-	-	3,000.00	-	2,422.50	-	7,199.51	-	12,622.01
ECB loans	-	6,184.34	-	-	533.07	951.01	835.87	3,343.49	2,263.30	-	14,111.08
Total	**24,992.24**	**6,184.34**	**67,220.63**	**16,250.00**	**21,019.33**	**22,810.07**	**51,975.94**	**216,322.49**	**187,772.51**	**97,203.09**	**711,750.64**
Assets											
Receivables under financing activity (net)	82,219.94	-	14,198.31	8,109.36	18,917.26	26,371.99	59,854.42	151,529.21	118,427.15	326,303.79	805,931.43
Investment (net)			-	-	-	-	23,171.86			11,830.76	35,002.62
Total	**82,219.94**	**-**	**14,198.31**	**8,109.36**	**18,917.26**	**26,371.99**	**83,026.28**	**151,529.21**	**118,427.15**	**338,134.55**	**840,934.05**

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 31,2023 as well as in the previous year ended March 31, 2022.

XI. Exposure to Capital Market

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(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;	1,670.92	1,757.70
(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	**1,670.92**	**1,757.70**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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+/Watch Developing ('Rating Watch with Developing Implications') [ICRA] A+(negative); from [ICRA]A+; rating watch with negative implications CARE A (CW with Developing Implications) from CARE A+; Negative	
	Bank limits (rated on long term scale)	CRISIL A+/Watch Developing ('Rating Watch with Developing Implications') [ICRA] A+(negative); from [ICRA]A+; rating watch with negative implications CARE A (CW with Developing Implications) from CARE A+; Negative	
	Bank limits (rated on short term scale)	CRISIL A1+/Watch Developing ('Rating Watch with Developing Implications') [ICRA]A1; from [ICRA]A1+; rating watch with negative implications CARE A1 (CW with Developing Implications) from CARE A1+	
	Commercial Paper Programme	CRISIL A1+/Watch Developing ('Rating Watch with Developing Implications') [ICRA]A1; from [ICRA]A1+; rating watch with negative implications	

(e) No penalties have been levied by any regulator during the year ended March 31, 2023 as well as in the previous year ended March 31, 2022. except ₹ 68.79 lakhs (previous year ₹ Nil) paid to stock exchanges where shares of the Compnay are listed, pursuant to non-compliance of certain provisions of SEBI (LODR) regulations.

XIII. Additional Disclosures

Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provisions for depreciation on Investment	(128.18)	(15.00)
Provision towards NPA	7,272.56	(23,355.02)
Provision made towards income tax	7,523.81	4.05
Other provision and contingencies-	-	
(a) Provision on trade receivables	180.19	
(b) Loss on loans & advances written off	-	33,028.39
Provision for Standard Assets	744.32	7,127.17

XIV. Draw down from reserve

For details refer note no 23

XV. Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Advances

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total Advances to twenty largest borrowers	581,625.88	551,643.07
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	78.67%	64.71%

(b) Concentration of Exposures

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total Exposure to twenty largest borrowers /customers	581,625.88	551,643.07
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	78.67%	64.71%

(c) Concentration of NPAs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total Exposure to top four NPA accounts	64,883.75	63,335.98

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(d) Sector-wise NPAs

S. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		Year ended March 31, 2023	Year ended March 31, 2022
(i)	Agriculture & allied activities	-	-
(ii)	MSME	-	-
(iii)	Corporate borrowers	9.68%	8.29%
(iv)	Services	-	-
(v)	Unsecured personal loans	-	-
(vi)	Auto loans	-	-
(vii)	Other personal loans	-	-

XVI. Movement of NPAs

	Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
(i)	Net NPAs to Net Advances (%)	4.38%	4.67%
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	72,409.49	82,410.64
(b)	Additions during the year	13,440.96	23,382.07
(c)	Reductions during the year	14,222.48	33,383.22
(d)	Closing balance	**71,627.97**	**72,409.49**
(iii)	Movement of Net NPAs		
(a)	Opening balance	38,683.55	31,305.84
(b)	Additions during the year	8,716.13	13,979.26
(c)	Reductions during the year	16,770.71	6,601.55
(d)	Closing balance	**30,628.97**	**38,683.55**
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	33,725.94	51,104.79
(b)	Provisions made during the year	7,273.06	15,649.54
(c)	Write-off / write-back of excess provisions	-	33,028.39
(d)	Closing balance	**40,999.00**	**33,725.94**

Note: Provisions are as per ECL policy

XVII. The Company does not have any joint ventures and subsidiaries abroad as at March 31,2023 as well as in the previous year ended March 31, 2022.

XVIII. The Company does not have any SPVs sponsored as at March 31,2023 as well as in the previous year ended March 31, 2022.

XIX. The prudential exposure limit was not exceeded during the year. the Company complies with the group exposure norms as at March 31, 2023 in accordance with RBI guidelines.

Total amount of advances for which intangible securities have been considered

XX. Disclosure of Complaints

(a) Customer Complaints *

Particulars		**Year ended March 31, 2023**	Year ended March 31, 2022
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	481	548
(c)	No. of complaints redressed during the year	481	548
(d)	No. of complaints pending at the end of the year	Nil	Nil

*Representing complaints of infrastructure retail bondholders.

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

XXI. Information on net interest margin (qualifying asset)

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Average interest loan assets	726,351.31	930,635.67
(b)	Net Interest Income	29,119.87	32,355.23
(c)	Net interest margin %	4.01%	3.48%

XXII. The Company has reported frauds aggregating ₹ Nil (Previous year : ₹ 26,486.60 Lakhs) based on management reporting to risk committee and to the RBI through prescribed returns.

XXIII. Details of resolution plan implemented under the Resolution Framework for COVID - 19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0), as at March 31, 2023 are given below:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the halfyear	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans					
Corporate persons*	NIL	NIL	NIL	NIL	NIL
Of which, MSMEs					
Others					
Total					

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

65.3 (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
FY 2021-22	-	-	-		
FY 2022-23	-	-	-		

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
FY 2021-22	-	-	-	-	-	-
FY 2022-23	-	-	-	-	-	

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
FY 2021-22	-	-	-	-	-	-	-	-
FY 2022-23	-	-	-	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

4 **Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21. 04.048/2021-22 dated September 24, 2021:**

Particulars	**During the year ended March 31, 2023**
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

5 **Public Disclosure on Liquidity Risk**

(i) **Funding Concentration based on significant counterparty (both deposits and borrowings)**

Sr. No.	Number of Significant Counterparties	Amount (₹ lakhs) as at March 31, 2023	% of Total deposits as at March 31, 2023	% of Total Liabilities/ Borrowing as at March 31, 2023	Amount (₹ lakhs) as at March 31, 2022	% of Total deposits as at March 31, 2022	% of Total Liabilities/ Borrowing as at March 31, 2022
(A)	Bank/FI Loan : Long Term						
	- Canara Bank	131,604.67	NA	25.85%	189,200.27	NA	26.58%
	- Union Bank of India	94,375.73	NA	18.54%	118,871.20	NA	16.70%
	- State bank of India	-	NA	0.00%	83,798.09	NA	11.77%
	- Bank of India	86,200.32	NA	16.93%	107,146.21	NA	15.05%
(B)	Bank/FI/Other Loan : Short Term						
	- Union Bank of India	-	NA	0.00%	25,000.00	NA	3.51%
	- Canara Bank	9,921.53	NA	1.95%	9,999.73	NA	1.40%
(C)	External Commercial Borrowing : Long Term						
	- OeEB	4,597.31	NA	0.90%	7,089.23	NA	1.00%
	- IFC	-	NA	0.00%	5,925.92	NA	0.83%
	- DEG	-	NA	0.00%	1,095.93	NA	0.15%
(D)	Non Convertible Debenture/ Bonds : Long Term						
	- NCD-4	7,259.00	NA	1.43%	7,201.89	NA	1.01%
	- NCD-2	-	NA		-	NA	0.00%
	- NCD-5	-	NA	0.00%	2,997.93	NA	0.42%
	- NCD-3	-	NA	0.00%	1,499.69	NA	0.21%
(E)	Non Convertible Debenture/ Bonds : Short Term						
	Infra Bond Series 2	899.55	NA	0.18%	922.50	NA	0.13%
		334,858.12			**560,748.59**		

(ii) Top 20 large deposits (amount in ₹ lakhs and % of total deposits)

- Not Applicable as Company is a Non Deposit taking NBFC- IFC

(iii) Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

Sr. No	**Name of Lender**	**Amount (₹ lakhs) as at March 31, 2023**	**% of Total Liabilities/ Borrowing as at March 31, 2023**	**Amount (₹ lakhs) as at March 31, 2022**	**% of Total Liabilities/ Borrowing as at March 31, 2022**
1	Canara Bank	141,526.21	27.80%	199,200.00	27.99%
2	Union Bank of India	94,375.73	18.54%	143,871.20	20.21%
3	State Bank of India	56,495.55	11.10%	83,798.09	11.77%
4	Bank of India	86,200.32	16.93%	107,146.21	15.05%
5	Punjab National Bank	926.65	0.18%	1,280.41	0.18%
6	Bank of Baroda	58,606.36	11.51%	61,967.28	8.71%
7	Central Bank of India	3,059.28	0.60%	6,697.00	0.94%
8	Bank of Maharashtra	32,936.96	6.47%	55,975.79	7.86%
9	J & K Bank	13,239.61	2.60%	16,091.00	2.26%
10	Indian Bank (Allahabad)	8,956.11	1.76%	8,990.57	1.26%
	Total of Top 10 Borrowing	496,322.78	97.49%	685,017.55	96.24%
	Total Borrowings	**509,078.63**		**711,750.64**	

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(iv) Funding Concentration based on significant instrument/product

Sr. No	Name of the instrument/product	Amount (₹ lakhs) as at March 31, 2023	% of Total Liabilities/ Borrowing as at March 31, 2022	Amount (₹ lakhs) as at March 31, 2022	% of Total Liabilities/ Borrowing as at March 31, 2022
1	Bank/FI Loan : Long Term	486,401.24	95.55%	650,017.83	91.33%
2	External Commercial Borrowing : Long Term	4,597.31	0.90%	14,111.08	1.98%
3	Non Convertible Debenture/Bonds : Long Term	8,158.55	1.60%	11,699.51	1.64%
4	Bank/FI Loan : Short Term	9,921.53	1.95%	34,999.73	4.92%
5	Non Convertible Debenture/Bonds : Short Term		0.00%	922.50	0.13%
Total		**509,078.63**	**100.00%**	**711,750.64**	**100.00%**

(v) Stock Ratios:

Year ended March 31, 2023		Year ended March 31, 2022	
a) Commercial papers as a % of total public funds, total liabilities and total assets		a) Commercial papers as a % of total public funds, total liabilities and total assets	
- Commercial papers as a % of total public funds	NIL	- Commercial papers as a % of total public funds	NIL
- Commercial papers as a % of total liabilities and total assets	NIL	- Commercial papers as a % of total liabilities and total assets	NIL
b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	-NIL	b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	- NIL
c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets		c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	
- Short Term Liability stands at 1.95% of Total Borrowing		- na as Company has NIL Public Funds	
		- Short Term Liability stands at 4.92% of Total Borrowing	

(vi) Institutional set-up for liquidity risk management

Year ended March 31, 2023	Year ended March 31, 2022
- Company has Internal Asset Liability Management Committee (ALCO) headed by MD & CEO wherein Head-Credit, Chief Risk Officer and Chief Financial Officer are other members of ALCO.	- Company has Internal Asset Liability Management Committee (ALCO) headed by MD & CEO wherein Head-Credit, Chief Risk Officer and Chief Financial Officer are other members of ALCO.
- ALCO generally meets on monthly basis to review the ALM position of Company.	- ALCO generally meets on monthly basis to review the ALM position of Company.
- The ALCO reports to Risk Management Committee.	- The ALCO reports to Risk Management Committee.
The above statement has been prepared and disclosed basis on the requirement of RBI Circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.	

Disclosure pursuant to Reserve Bank of India Circular DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 pertaining to Liquidity Risk Management Framework for Non-Banking Financial Companies (continued)

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

6 Disclosure relating to Liquidity Coverage Ratio ("LCR")

High Quality Liquid Asset		Quarter ended June 30, 2022		Quarter ended September 30, 2022		Quarter ended December 31, 2022		Quarter ended March 31, 2023	
		Total Unweighted3 Value (average)#	**Total Weighted4 Value (average)#**	**Total Unweighted3 Value (average)#**	**Total Weighted4 Value (average)#**	**Total Unweighted3 Value (average)#**	**Total Weighted4 Value (average)#**	**Total Unweighted3 Value (average)#**	**Total Weighted4 Value (average)#**
1	**Total High Quality Liquid Assets (HQLA	91,257.00	91,257.00	80,512.67	80,512.67	98,327.33	98,327.33	65,411.00	65,411.00
Cash Outflow									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	12,375.26	14,231.55	11,076.69	12,738.19	12,015.98	13,818.38	13,041.90	14,998.19
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	12,375.26	14,231.55	11,076.69	12,738.19	12,015.98	13,818.38	13,041.90	14,998.19
6	Other contractual funding obligations	3,252.98	3,740.92	23,307.69	26,803.84	6,763.55	7,778.09	15,341.71	17,642.97
7	Other contingent funding obligations	47,974.33	55,170.48	27,801.33	31,971.53	44,396.67	51,056.17	35,405.44	40,716.26
8	**TOTAL CASH OUTFLOWS**	**63,602.57**	**73,142.96**	**62,185.71**	**71,513.56**	**63,176.20**	**72,652.63**	**63,789.06**	**73,357.42**
	Cash inflow								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	9,950.76	7,463.07	11,374.36	8,530.77	16,608.60	12,456.45	10,180.33	7,635.25
11	Other cash inflow	-	-	-	-	-	-	-	-
12	**TOTAL CASH INFLOWS**	**9,950.76**	**7,463.07**	**11,374.36**	**8,530.77**	**16,608.60**	**12,456.45**	**10,180.33**	**7,635.25**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	TOTAL HQLA		91,257.00		80,512.67		98,327.33		65,411.00
14	TOTAL NET CASH OUTFLOWS		65,679.89		62,982.79		60,196.18		65,722.17
15	REQUIRED LIQUIDITY COVERAGE RATIO (%)		60.00%		60.00%		63.33%		70.00%
16	LIQUIDITY COVERAGE RATIO (%) maintained		138.94%		127.83%		163.34%		99.53%

** Components of HQLA need to be disclosed

For average, month end observation during each quarter for FY2022-23 has been considered

Company is required to maintain the LCR at 60% upto 30 November 2022 and from 1st December 2022 onwards LCR at 70% level and hence average of this has been mentioned under Q3FY2022-23 as required LCR

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

65.4 Disclosures in Financial Statements- Notes to Accounts of NBFCs RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19 2022

A) Exposure

1) Exposure to real estate sector- the exposure has already been disclosed in note No 64.2 (X)

2) Exposure to capital market-the exposure has already been disclosed in note No 64.2 (XI)

3) Sectoral exposure

	Year ended March 31, 2023			Year ended March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
2. Industry						
Biomass	428.57	428.57	100.00%	428.57	428.57	100.00%
Coal Mining	4,111.46	4,111.46	100.00%	4,266.11	4,266.11	100.00%
Electric Mobility	8,786.67	-	0.00%	21,214.96	-	0.00%
Hydro	-	-	0.00%	15,459.97	-	0.00%
Manufacturing	144.54	144.54	100.00%	264.54	264.54	100.00%
Other Infrastructure	29,855.48	-	0.00%	-	-	0.00%
Port	14,351.48	-	0.00%	14,492.55	-	0.00%
Road	78,616.32	-	0.00%	125,264.26	-	0.00%
Solar	79,362.65	13,753.88	17.33%	139,602.71	312.60	0.22%
State Power Utility	290,819.59	-	0.00%	251,664.23	-	0.00%
Thermal	53,189.53	53,189.52	100.00%	76,801.17	54,371.16	70.79%
Transmission	40,834.69	-	0.00%	65,347.08	12,766.51	19.54%
Water - Sewage treatment	6,682.92	-	0.00%	2,970.85	-	0.00%
Wind	132,584.82	-	0.00%	155,188.91	-	0.00%
Others	-	-	0.00%	-	-	0.00%
Total of Industry (Others)	**739,768.72**	**71,627.97**	**9.68%**	**872,965.91**	**72,409.49**	**8.29%**
3. Services	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Services (Others)	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Personal Loans Others)	-	-	-	-	-	-
5. Others, if any (please specify)	-	-	-	-	-	-

4) *Intra-group exposures*

i) Total amount of intra-group exposures

ii) Total amount of top 20 intra-group exposures-There is no intra-group exposures other than PTC Energy Limited as at March 31, 2023 and March 31, 2022.

iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers

Particular	% of Intra group Exposures as at March 31, 2023	Amount outstanding for the year ended March 31, 2023	% of Intra group Exposures as at March 31, 2022	Amount outstanding for the year ended March 31, 2022
PTC Energy Limited	0.58%	4,324.58	0.55%	4,865.15

Notes to the standalone financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

5) Unhedged foreign currency exposure

There is no unhedged foreign currency exposure as at March 31, 2023

B) Related Party Disclosure

Related party disclosure has been disclosed in note No 40

C) Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	March 31, 2023	March 31, 2022
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	481.00	548.00
3	Number of complaints disposed during the year	481.00	548.00
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Non receipt of securities	-	57	(71.36)	-	-
Non receipt of electronic credits	-	2	100.00	-	-
Non receipt of interest warrant	-	420	22.09	-	-
SEBI request / complaint (RTA SEBI's SCORE)	-	1	-	-	-
Stock Exchange complaints	-	1	(75.00)	-	-
Total	**-**	**481**	**-**	**-**	**-**
Previous Year					
Non receipt of securities	-	199	(32.31)	-	-
Non receipt of electronic credits	-	-	-	-	-
Non receipt of interest warrant	-	344	(17.70)	-	-
SEBI request / complaint (RTA SEBI's SCORE)	-	1	100.00	-	-
Stock Exchange complaints	-	4	100.00	-	-
Total		**548**	**-**	**-**	**-**

Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

D) Breach of covenant

The company is required to provide certain financial information on the basis of audited financial to banks and ECB lenders. Since the annual financial of the company was approved on November 16, 2022, there was a delay in sharing the required information with banks and ECB lenders

E) Divergence in Asset Classification and Provisioning

a) As per the latest available RBI inspection report, there is no any instance wherein the RBI has found any divergence in asset classification and provision amount.

b) the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.- Not applicable since RBI did not find Divergence in Asset Classification and Provisioning.

Sr.	Particulars	Amount
1	Gross NPAs as on March 31, 2023* as reported by the NBFC	-
2	Gross NPAs as on March 31, 2023 as assessed by the Reserve Bank of India/ NHB	-
3	Divergence in Gross NPAs (2-1)	-
4	Net NPAs as on March 31, 2023 as reported by the NBFC	-
5	Net NPAs as on March 31, 2023 as assessed by Reserve Bank of India/ NHB	-
6	Divergence in Net NPAs (5-4)	-
7	Provisions for NPAs as on March 31, 2023 as reported by the NBFC	-
8	Provisions for NPAs as on March 31, 2023 as assessed by Reserve Bank of India/ NHB	-
9	Divergence in provisioning (8-7)	-
10	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 2023	-
11	Reported Net Profit after Tax (PAT) for the year ended March 31, 2023	-
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2023 after considering the divergence in provisioning	-

Summary of significant accounting policies
See accompanying notes forming part of the standalone financial statements 3-65

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

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, 2023, 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 ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate {read with para (a) of 'Other Matters' section below] as at March 31, 2023, the 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 of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) 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 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matters

We draw attention to the following matters:

i) As on 31st March 2023, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date. (Refer Note 59 to the consolidated financial statements)

ii) On January 19, 2022, three independent directors of the Company had resigned mentioning lapses in corporate governance and compliance. The Company appointed an independent firm ("the Forensic auditor"), to undertake a forensic audit who had submitted its final forensic audit report (FAR) on November 4, 2022 which includes, in addition to other observations, instances of modification of critical sanction terms, post sanction approval from the Board, non-compliance with pre-disbursement conditions, disbursements made for clearing overdues (evergreening), disproportionate disbursement of funds and delayed presentation of critical information to the Board. The Company's management appointed a professional services firm ("the External Consultant") to independently review the 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. The management's responses and remarks of professional services firm, together with report of forensic auditor, had been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022 and Board observed that forensic auditor has not identified any event having material impact on the financials of the Company and has not identified any instance of fraud and diversion of funds by the Company. 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. The board of directors in its meeting held on 3rd February 2023 revisited the findings stated in FAR and took on record that the forensic auditor has not identified any event having material impact on the financials of the Company and also have not identified any instances of fraud and diversion of funds by the Company and/or by its employees. During the last quarter of year ended 31st March 2023, ROC has issued four show-cause notices (SCNs) to company for non-compliances of the provisions of section 149(8), 177 (4)(v) & (vii) and 178 and company has submitted its replies denying the non-compliances mentioned in above SCNs and has prayed to the ROC for withdrawal of SCNs which is pending. [Refer Note 56(a) to the consolidated financial statements]

iii) On December 2nd, 2022 two more independent directors of the Company had resigned, reasons as detailed in their resignation letters of two such independent directors (mentioning various concerns) which includes the matters raised by the erstwhile independent directors of PFS (who resigned on January 19, 2022) regarding appointment of forensic auditor, its observations in the forensic audit report (including on evergreening of the loans etc.), divergent views of the directors and management on the outcome of forensic audit report, limitations on scope of forensic audit, lack of cooperation from the management to the forensic auditor; calling board and audit committee meetings at short notice, matters discussed in meetings without adequate notice; violation of SEBI directive regarding change in Board composition; appointment of Information System Auditors and unilateral replacement thereof; submission of proposal for grant of facilities to the Business Committee/ Board of the Company during the period after April 2022 which were not in compliance with the extant policy laid down by the Board; amendments of the laid down policy for approval of proposals, etc., not capturing the actual proceedings of the meetings in the minutes of board and committees and few other matters. The Company has rebutted all these fully and submitted its reply with the stock exchanges and Reserve Bank of India. [Refer Note no. 56(c) to the consolidated financial statements]

iv) As stated in note no. 56 (e) to the consolidated financial statements regarding the Show Cause Notice (SCN) dated May 08,2023 sent by Securities and Exchange Board of India (SEBI) to Managing Director and Chief Executive Officer (MD & CEO) and Non-Executive Chairman of the Company, on matters of Corporate Governance issues raised by Independent Directors who resigned on January 19, 2022 and December 2, 2022, as detailed in para (ii) & (iii) above [refer note no. 56(a) and (c) to the consolidated financial statements], 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 the Audit Committee and the Board of Directors have noted and taken on record that the above stated SCNs have been issued 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 process of preparing replies (also in process of compiling all required data / records/information/details) {as stated in note no. 56 (e)}. As stated in the said note, the Company 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 the Company and the same has been noted and taken on record by the Audit Committee and Board of Directors in their respective meetings held on May 18, 2023.

v) Due to resignation of the former independent directors (who resigned on January 19, 2022), the Company has not complied with the various provisions of Companies Act, 2013 related to constitution of committees of the Board and timely conduct of their meetings during the period January 19, 2022 to July 15, 2022 (except the Audit Committee and Nomination and Remuneration Committee (NRC) duly constituted on April 6, 2022). In this regard, the management does not expect any material financial impact, due to fines/penalties arising from such process. [Refer Note no. 56(b) to the consolidated financial statements]

vi) As stated in note no. 56(d) to the consolidated financial statements regarding finalization and signing of the pending minutes of meetings of audit committee and IT strategy committee held since April 8, 2022 till November 14,2022 by the current chairman(s) of respective committees, same have been finalized by Company in the last quarter of the financial year ended March 31, 2023, basis recording /videos of such meetings and taking on record a certificate of an external legal expert in this regard. Company believes that the relevant provisions of Companies Act,2013 have been complied with and there will be no material impact on state of affairs of the Company.

vii) In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from Resolution Professional for loan assets under IBC proceedings or otherwise, one time settlement (OTS) proposal, asset value as per latest available financials of the borrowers with appropriate haircut as per ECL policy, sustainable debt under resolution plan). The Company expects to recover the net carrying value of these assets, basis assessment of current facts and ECL methodology which factors in future economic conditions as well. However, the eventual recovery from these loans may be different from those estimated as on the date of approval of these financial statements. (Refer Note no. 57 to the consolidated financial statements).

Our opinion is not modified in respect of above stated matters in para (i) to (vii).

viii) The secretarial auditors of the Company in their report dated May 10, 2023 have reported that the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards etc. subject to the followings:

a) There is delay in the Circulation, recording and signing of minutes of the Board meeting conducted during period October 22, 2022 till November 15, 2022, audit committee Meeting conducted during period April 01, 2022 till November 15, 2022 and 9th IT Strategy Committee Meeting conducted on September 30, 2022 with reference to provisions of the Secretarial Standards (SS)-1 issued by the ICSI and all the said minutes are now finalized and signed as on date.

b) There is delay in the compliances under Regulation 33 of Securities Exchange Board of India ('SEBI') (Listing Obligation and Discloser Requirements) Regulations, 2015, as amended, ('SEBI LODR') for the period ending March 31, 2022 till quarter period ended September 30, 2022.

They have further reported that:

a) The appointment of independent directors has been done by the Board through circular resolution as on 29.03.2022 and Company was unable to get recommendation of Nomination and Remuneration Committee (NRC) due to its non-existence pursuant to resignation of existing independent directors and further, the Independent Directors had not been confirmed by Shareholders within 3 months as required under provision of the SEBI (LODR). However, email dated June 28, 2022 received from SEBI reiterated that "SEBI has provided a specific action to the company vide SEBI email dated May 13, 2022- "PFS is advised to not change the Structure and Composition of PFS Board, till the completion of forensic audit and submission of report by RMC of PTC India Limited. Apart from aforesaid, other 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.

b) Company has received show cause notices under Section 178 , 149 and Schedule IV of the Companies Act 2013 during the audit period, on the basis of issues raised by the erstwhile independent directors in the previous financial year 2022 and same is pending before the Registrar of Companies, NCT of Delhi & Haryana (MCA) Ministry of Corporate Affairs. Since, the matter is sub-judice and to be decided by the Registrar of Companies, NCT of Delhi & Haryana (MCA), Ministry of Corporate Affairs, at this stage it is difficult to comment on impact of said show cause notices.

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. We have determined that there are no key audit matters to be communicated in our report.

In addition to the matter described in the "Emphasis of Matters" section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Allowance for Expected Credit Losses (ECL)-PTC India Financial Services Limited**	**Audit Procedures**
	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') • Basis used to determine the Probability of Default (PD') and Loss Given Default ('LGD') and exposure at default ('EAD') • 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 & 45 A.4 to the consolidated financial statements	Our Procedures Included: We have examined the policy approved by the Board of Directors of the Company and also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policy approved by the Board of Directors. 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:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		(a) Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection; (b) Completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors. (c) Examined the key data inputs (valuation of collateral, the timing of cash flows and realizations, external credit ratings) to the ECL model on a sample basis to assess their accuracy and completeness; (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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibilities and those charged with governance for the Consolidated 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The Boards 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 its associates 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 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 Boards of Directors of the company and of its associates (read with note no. 63 to the consolidated financial statements) are responsible for assessing the ability of the company and of 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 Boards of Directors either intend to liquidate the Company and its associates or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the Company and of its associates are also responsible for overseeing the financial reporting process of the Company and of its associates (read with note no. 63 to the consolidated financial statements) 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial 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 holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 (read with note no. 63 to the consolidated financial statements) 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 within the Company and of 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 the Company included in the consolidated financial statements of which we are the independent auditors (in the absence of availability of audit reports of the two associates referred to in 'Other Matters' paragraph below read with note no. 63 to the consolidated financial statements). We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company, 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.

From 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.

Other Matters

(a) Attention is invited to Note 63 to the consolidated financial Statements, which sets out the position regarding two Associates of the Company for which neither audited nor management accounts for the financials year ended March 31, 2023 were available with the company for the consolidation purposes. However, since the company has fully provided for diminution in investment held in these two associates in prior years and the company does not have 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.

(b) The audited consolidated financial statements of the Company for the year ended 31st March 2022 were audited by the predecessor auditor who expressed modified opinion vide their report dated 16th November, 2022. These consolidated financial statements were provided by the management and has been relied upon for the purpose of audit of accompanying consolidated financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A (to the extent applicable)", 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 read with note no. 63 to the consolidated financial statements), a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

2. As required by Section 143(3) of the Act, based on our audit (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements) 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 of the Company 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 (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements).

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account of the Company maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Boards of Directors of the Company none of the directors of the company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements).

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements).

   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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us

      i. The special purpose consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company- refer note no. 35 to the consolidated 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;

      iii. During the year ended March 31, 2023, there were delays in transferring 30,010 nos. of equity shares and unclaimed dividend of ₹ 7.20 lakhs to Investor Education and Protection Fund ('IEPF') by the Company. Further, there is no amount due for payment to the IEPF as at the year end. (Refer note no. 52 to the consolidated financial statements).

iv. a) The management of the Company has represented (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements) that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management of the Company has represented (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements) that, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements), nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contain any material mis-statement.

v. The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.

As stated in note no. 23 (x) to the special purpose consolidated financial statements, the Board of Directors of the Company has proposed dividend for the year ended March 31,2023, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

h) In our opinion the managerial remuneration for the year ended 31st March, 2023 has been paid/ provided for by the Company to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements).

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Sd/-
Gaurav Lodha
Partner
Membership Number: 507462
UDIN: 23507462BGVDIF9669

Place : New Delhi
Date : 18th May 2023

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements of PTC India Financial Services Limited for the year ended 31st March 2023 (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements).

In terms of paragraph 3(xxi) of the CARO 2020, remarks as stated in the CARO report on the standalone financial statements of the Company (CIN: L65999DL2006PLC153373) vide our report dated May 18, 2023 (in the absence of availability of audit reports of the two associates referred to in 'Other Matter' paragraph above read with note no. 63 to the consolidated financial statements):

S. No.	Paragraph number in the CARO report on the standalone financial statements of the Company (CIN: L65999DL2006PLC153373)
1	(iii) (b), (c), (d)
2	(xi) (b) and (c)
3	(xviii)

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Sd/-
Gaurav Lodha
Partner
Membership Number: 507462

Place : New Delhi
Date : 18th May 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PTC India Financial Services Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, We have audited the internal financial controls over financial reporting of PTC India Financial Services Limited ("the Company") as of March 31, 2023 for the year ended on that date. Since the auditors' reports of associates are not available (read with note no. 63 to the consolidated financial statements), 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 Boards of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls over financial reporting of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal financial control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Emphasis of Matters

According to the information and explanation given to us and based on our audit, we draw attention to para (ii), (iii) and (iv) under the 'Emphasis of Matters' section of our main report, read with note no. 56(a), (c) and (e) to the consolidated financial statements.

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Sd/-
Gaurav Lodha
Partner
Membership Number: 507462

Place : New Delhi
Date : 18th May 2023

PTC India Financial Services Limited
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A.	ASSETS			
1	**Financial assets**			
	a. Cash and cash equivalents	3	2,567.29	33,800.21
	b. Bank balances other than (a) above	4	56,420.52	61,903.66
	c. Derivative financial instruments	5	1,030.20	1,008.45
	d. Trade receivables	6	419.73	110.62
	e. Loans	7	684,712.10	805,931.43
	f. Investments	8	9,125.14	35,002.62
	g. Other financial assets	9	49.48	81.65
			754,324.46	**937,838.64**
2	**Non-financial assets**			
	a. Current tax assets (Net)	10	909.41	9,385.73
	b. Deferred tax assets (Net)	11	5,012.92	3,159.44
	c. Property, Plant and Equipment	12	686.24	827.68
	d. Right of use-buildings	12	2,348.32	315.84
	e. Intangible assets under development	13	15.46	-
	f. Other intangible asset	14	7.08	14.25
	g. Other non-financial assets	15	135.93	91.42
			9,115.36	**13,794.36**
	TOTAL ASSETS		**763,439.82**	**951,633.00**
B	LIABILITIES AND EQUITY			
	LIABILITIES			
3	**Financial liabilities**			
	a. Trade Payables			
	(i) total outstanding dues of micro and small enterprises	16	44.98	2.23
	(ii) total outstanding dues of creditors other than micro and small enterprises		141.35	174.08
	b. Debt securities	17	8,117.66	12,622.01
	c. Borrowings (Other than debt securities)	18	501,705.42	699,128.63
	d. Lease liability	18	2,352.70	387.54
	e. Other financial liabilities	19	6,441.06	12,675.40
			518,803.17	**724,989.89**
4	**Non-financial liabilities**			
	a. Provisions	20	238.60	246.80
	b. Other non-financial liabilities	21	123.93	9.02
			362.53	**255.82**
5	EQUITY			
	a. Equity share capital	22	64,228.33	64,228.33
	b. Other equity	23	180,045.79	162,158.96
			244,274.12	**226,387.29**
	TOTAL LIABILITIES and EQUITY		**763,439.82**	**951,633.00**
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the consolidated financial statements	3-66		

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Income**			
	a. Revenue from operations			
	(i) Interest income	24	76,656.85	92,468.91
	(ii) Fee and commission income	25	2,072.65	2,468.88
	(iii) Sale of power		358.71	350.00
	b. Other income	26	619.82	1,587.52
	Total income (a+b)		**79,708.03**	**96,875.31**
2	**Expenses**			
	a. Finance costs	27	43,191.04	57,976.86
	b. Fees and commission expense	28	91.92	170.47
	c. Net loss on fair value changes	29	497.74	349.93
	d. Impairment on financial instruments	30	8,068.89	16,785.54
	e. Employees benefit expenses	31	1,963.28	1,892.97
	f. Depreciation and amortisation expenses	32	608.09	607.17
	g. Other expenses	33	2,050.27	1,701.15
	Total expenses (a+b+c+d+e+f+g)		**56,471.23**	**79,484.09**
3	**Profit before tax, share of net profits of investments accounted for using equity method (1-2)**		23,236.80	17,391.22
4	**Share of net profit of associated accounted for using equity method**	-	-	
5	**Profit before tax (3-4)**		23,236.80	17,391.22
6	**Tax expense**			
	a. Current tax	34	7,523.81	4.05
	b. Deferred tax charge/(credit)	34	(1,867.73)	4,388.69
	Total tax expense		**5,656.08**	**4,392.74**
7	**Profit for the year (5-6)**		**17,580.72**	**12,998.48**
8	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement loss on defined benefit plans		17.15	55.05
	Income tax relating to remeasurement loss on defined benefit plans	11	(4.32)	(13.85)
	b. Equity instruments through other comprehensive income		-	1,220.76
	Income tax relating to FVTOCI to equity investments		-	(307.24)
	Deferred tax benefits/(charge) relating to FVTOCI to equity investments	11	-	(117.88)
			12.83	**836.84**
	Items that will be reclassified to profit or loss			
	c. Change in cash flow hedge reserve		39.47	129.10
	Income tax relating to cash flow hedge reserve	11	(9.93)	(32.49)
			29.54	**96.61**
	Total other comprehensive income/(expense) for the year		**42.37**	**933.45**
9	**Total comprehensive income for the year (7+8)**		**17,623.09**	**13,931.93**
	Earnings per equity share:			
	Basic and diluted	48	2.74	2.02
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the consolidated financial statements	3-66		

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2023

(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, 2021	642,283,335	64,228.33
Issued during the year	-	-
As at March 31, 2022	**642,283,335**	**64,228.33**
Issued during the year	-	-
As at March 31, 2023	**642,283,335**	**64,228.33**

B Other Equity:

	Reserves and Surplus							Other comprehensive income		Total
	Securities Premium Reserve	**Statutory Reserve**	**Special Reserve**	**Impairment Reserve**	**Foreign currency monetary items translation difference account**	**Share options outstanding account**	Retained Earnings	Equity instruments through other comprehensive income	**Cash flow hedge reserve**	
As at April 1, 2021	**61,280.57**	**35,574.57**	**34,449.78**	**12,696.98**	**(813.61)**	**-**	**23,717.11**	**(18,697.76)**	**(485.54)**	**147,722.10**
Add: Profit for the year	-	-	-	-	-	-	12,998.48	-	-	12,998.48
Add / (Less): Other comprehensive income	-	-	-	-	-	-	41.20	795.64	96.61	933.45
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**13,039.68**	**795.64**	**96.61**	**13,931.93**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	2,599.70	-	-	-	-	(2,599.70)	-	-	-
Transfer from / (to) Impairment Reserve	-	-	-	14,674.38	-	-	(14,674.38)	-	-	-
Transactions with owners in their capacity as owners:	-									
Dividends	-	-	-	-	-	-	-	-	-	-
Corporate dividend tax on dividend	-	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variations during the year	-	-	-	-	(120.41)	-	-	-	-	(120.41)
Amortisation for the year	-	-	-	-	625.34	-	-	-	-	625.34
As at March 31, 2022	**61,280.57**	**38,174.27**	**34,449.78**	**27,371.36**	**(308.68)**	**-**	**19,482.71**	**(17,902.12)**	**(388.93)**	**162,158.96**
As at April 1, 2022	**61,280.57**	**38,174.27**	**34,449.78**	**27,371.36**	**(308.68)**	**-**	**19,482.71**	**(17,902.12)**	**(388.93)**	**162,158.96**
Add: Profit for the year	-	-	-	-	-	-	17,580.72	-	-	17,580.72
Add / (Less): Other comprehensive income	-	-	-	-	-	-	12.83	-	29.54	42.37
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**17,593.55**	**-**	**29.54**	**17,623.09**
Transfer from / (to) Reserve fund in terms of Section 45-IC of the Reserve Bank of India Act, 1961	-	3,516.14	3,622.40	-	-	-	(7,138.54)	-	-	-
Transfer from / (to) Impairment Reserve	-	-	-	-	-	-	-	-	-	
Transfer from / (to) retained earnings on disposal/ derecogniton of investments	-	-	-	-	-	-	(696.42)	696.42	-	-
Transactions with owners in their capacity as owners:	-									
Dividends	-	-	-	-	-	-	-	-	-	-
Corporate dividend tax on dividend										
Effect of foreign exchange rate variations during the year	-	-	-	-	215.52	-	-	-	-	215.52
Amortisation for the year	-	-	-	-	48.22	-	-	-	-	48.22
As at March 31, 2023 “	**61,280.57**	**41,690.41**	**38,072.18**	**27,371.36**	**(44.94)**	**-**	**29,241.30**	**(17,205.70)**	**(359.39)**	**180,045.79**
Summary of significant accounting policies		2								
See accompanying notes forming part of the consolidated financial statements		3-66								

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited
CONSOLIDATED STATEMENT OF CASH FLOW AS AT MARCH 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit after tax	17,580.72	12,998.48
	Adjustments for:		
	Depreciation and amortisation expenses	608.09	607.17
	Impairment on financial instruments	8,068.89	16,785.54
	(Gain)/ Loss on sale of property, plant and equipment	(2.80)	(0.08)
	Finance costs	43,191.04	57,976.86
	Fees and commission expense	91.92	170.47
	Net (Gain)/ Loss on fair value changes/ other Ind AS adjustments	(576.50)	349.93
	Tax expense (Provision)	5,656.08	4,392.74
	Operating profit before working capital changes	**74,617.44**	**93,281.11**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loan financing	114,271.44	173,372.97
	Other loans	5.25	5.69
	Other financial assets	9.73	(19.16)
	Other non- financial assets	(44.51)	492.92
	Trade receivables	(489.30)	266.24
	Adjustments for increase / (decrease) in operating liabilities:		
	Other financial liabilities	(728.90)	(7,859.04)
	Provisions	8.95	(152.78)
	Trade payables	10.02	(113.08)
	Other non- financial liabilities	114.91	(252.85)
	Cash flow from operating activities post working capital changes	**187,775.03**	**259,022.02**
	Income- tax (paid)/refund	952.51	13,118.15
	Net cash flow from operating activities (A)	**188,727.54**	**272,140.17**
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Capital expenditure on property, plant and equipment, including capital advances	(35.12)	(147.04)
	Proceeds from sale of property, plant and equipment	14.68	14.98
	Purchase of intangible assets	-	(4.76)
	Purchase of intangible assets under development	(15.46)	
	Proceeds from/(Investment in) term deposit	176.53	(18,796.58)
	Purchase of investments	-	(1,476.04)
	Proceeds from sale/ redemption of investments	25,807.28	5,033.05
	Net cash flow from/ (used in) investing activities (B)	**25,947.91**	**(15,376.39)**

(All amounts in Lakhs of ₹ unless otherwise stated)

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from borrowings	51,000.00	571,852.62
	Repayment of borrowings	(248,799.32)	(725,438.37)
	Repayment of lease liability	(542.70)	(454.24)
	Repayment of debt securities	(4,522.94)	(51,017.13)
	Finance costs	(43,043.41)	(66,846.57)
	Net cash flow from financing activities (C)	**(245,908.37)**	**(271,903.69)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(31,232.92)**	**(15,139.91)**
	Cash and cash equivalents at the beginning of the year	33,800.21	48,940.12
	Cash and cash equivalents at the end of the year	**2,567.29**	**33,800.21**

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Summary of significant accounting policies	2
See accompanying notes forming part of the consolidated financial statements	3-66

As per our report of even date
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India Financial Services Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

1. Company overview/Corporate information

PTC India Financial Services Limited ("the Company") 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, 2023 were authorized and approved for issue by the Board of Directors on May 18, 2023.

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 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 stated 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. During Covid lockdown, the Company allowed its employees to purchase fixed assets to enable them to work from home which shall remain in possession of employees only. Asset costing up to ₹ 5,000 each are fully depreciated in the year of capitalisation except work from home assets and mobile phones which are written off after four years and two years respectively from the date 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.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over their estimated useful life not exceeding five 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.

Sale of Power

Revenue arising from sale of power generated from Wind Mills, is recognised on the rates and terms and conditions mutually agreed.

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.

Discounting - Discounting is done using the Rate of Interest (ROI) of the loan. The loan initiation fees charged by PFS ranges around 1% of loan amount and duration of loan is in between 10-15 years. Hence, there is a negligible impact of using ROI instead of EIR as prescribed by best practices for the purpose of discounting.

For Stage 1 accounts, if the residual maturity of the facility is greater than 12 months, the derived ECL estimates will be discounted by one year; if the residual maturity of the facility is less than 12 months, the derived ECL estimates will be discounted by the residual maturity of the facility.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

For Stage 2 accounts, annual ECL estimates will be discounted from first year onwards to arrive at the ECL for current year.

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.

Restructured, rescheduled and modified loans

The Company sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request. The Company considers the modification of the loan only before the loans gets credit impaired. When the loan has been renegotiated or modified but not derecognised, the Company also reassesses whether there has been a significant increase in credit risk. The Company also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured.

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 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.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

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) Statement of Cash Flows

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

s) Dividend on equity shares

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity

t) Borrowing Cost

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

u) **Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

v) **Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in these financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment a nd there is no impact on its financial statement.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.08	0.18
Balances with banks:		
- in current accounts	2,567.21	33,800.03
- in deposit accounts with original maturity of less than three months	-	-
	2,567.29	**33,800.21**

4 Bank balance other than (note 3) above

Balances with banks-		
- in earmarked accounts		
i. Unclaimed share application money lying in escrow account	-	-
i. Unclaimed interest on debentures and bonds	3,361.12	8,660.49
ii. Unclaimed dividend	51.71	58.95
- in deposit accounts with original maturity of more than three months	53,007.69	53,184.22
	56,420.52	**61,903.66**

5 Derivative financial instruments

The Company enters into derivative transcations 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, 2023			As at March 31, 2022		
Particulars	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**	**Notional amounts**	**Fair Value - Assets**	**Fair Value - Liabilities**
Currency derivatives						
- Currency and interest rate swaps	4,597.31	1,030.20	-	7,115.63	636.05	-
- Call spread option	-	-	-	5,930.02	372.42	0.02
- Cap spread option						
Total derivatives	**4,597.31**	**1,030.20**	**-**	**13,045.65**	**1,008.47**	**0.02**
Included in above are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
- Currency and interest rate swaps	4,597.31	1,030.20	-	7,115.63	636.05	-
Undesignated derivatives	-	-	-	5,930.02	372.42	0.02
Total derivative financial instruments	**4,597.31**	**1,030.20**	**-**	**13,045.65**	**1,008.47**	**0.02**

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 ageing 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, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(a) **Disclosure of effects of hedge accounting on financial performance**

For the year ended March 31, 2023

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss) (A)	Hedge ineffectiveness recognised in statement of profit or loss (B)	Amount reclassified from cash flow hedging reserve to profit or loss (C) = (A)+(B)	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	477.59	(438.12)	39.47	Gain/ (loss) on fair value changes and loss/ amortisation of foreign currency transaction/ translation

For the year ended March 31, 2022

Type of hedge and risks	Change in the value of hedging instrument gain/ (loss) (A)	Hedge ineffectiveness recognised in statement of profit or loss (B)	Amount reclassified from cash flow hedging reserve to profit or loss (C) = (A)+(B)	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	56.79	72.31	129.10	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, 2023	As at March 31, 2022
Opening balance	(388.93)	(485.54)
Add: Changes in fair value of derivative contracts- gain/ (loss)	477.59	56.79
Less: Amount reclassified to profit or loss	(438.12)	72.31
Less: Deferred tax relating to above (net)	(9.93)	(32.49)
Closing balance	**(359.39)**	**(388.93)**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	419.73	110.62
Trade receivables which have significant increase in credit risk	-	-
Credit impaired	217.56	37.37
	637.29	**147.99**
Less: Allowance for impairment loss allowance	217.56	37.37
	419.73	**110.62**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(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.

(iii) ₹ 370.46 lakhs is receivable from state power utility for supply of wind power and no impairment has been considered since it is state government Company.

Trade Receivable ageing is as follows :

Particulars	As at March 31, 2023							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	20.74	47.77	181.86	148.19	0.33	11.21	9.63	419.73
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	8.04	29.33	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	180.19	-	-	-	180.19

Trade Receivable ageing is as follows :

Particulars	As at 31 March 2022							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	17.73	-	54.98	11.92	11.21	0.44	14.34	110.62
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	8.04	19.81	9.52	37.37
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

7 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
(i) Term loans*		
a) Loans Receivables considered good – Secured;	594,182.88	678,428.01
b) Loans Receivables considered good – Unsecured;	-	-
c) Loans Receivables which have significant increase in credit risk and	44,665.35	68,914.93
d) Loans Receivables – credit impaired.	100,491.91	105,194.40
(ii) Loans to employees		
a) Loans Receivables considered good – Secured;	23.69	30.40
b) Loans Receivables considered good – Unsecured;	3.79	2.33
c) Loans Receivables which have significant increase in credit risk and	-	-
d) Loans Receivables – credit impaired.	-	-
Total - Gross	**739,367.62**	**852,570.07**
Less: Impairment loss allowance	54,655.52	46,638.64
Total - Net	**684,712.10**	**805,931.43**

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Secured by tangible assets (property, plant and equipment including land and building)	637,789.02	686,697.92
(ii) Secured by book debts, inventories, fixed deposit and other working capital items	71,719.33	165,869.82
(iii) Secured by intangible assets	-	-
(iv) Covered by bank and government guarantee	29,855.48	-
(v) Unsecured	3.79	2.33
Total - Gross	**739,367.62**	**852,570.07**
Less: Impairment loss allowance	54,655.52	46,638.64
Total - Net	**684,712.10**	**805,931.43**
Loans in India***		
(i) Public sector	320,675.06	251,664.23
(ii) Others	418,692.56	600,905.84
Total - Gross	**739,367.62**	**852,570.07**
Less: Impairment loss allowance	54,655.52	46,638.64
Total - Net	**684,712.10**	**805,931.43**

* Includes interest accrued.

*** The Company does not hold any loans outside India.

The net carrying amount of loans is considered a reasonable approximation of their fair value.

The loans are secured by borrowers fixed assets/current assets however in few cases securities provided for are in process of perfection by the borrowers.

Refer note 45 A on credit risk

8 Investments

Particulars	As at March 31, 2023					As at March 31, 2022				
	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 (unquoted)										
61,121,415 (March 31, 2022: 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
4,390,000 (March 31, 2022:4, 390,000) equity shares of ₹ 10 held in Varam Bio Energy Private Limited	-	-	-	-	-	-	-	-	-	-
(b) Investment in associates (unquoted)										
90 (March 31, 2021: 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)				-	-				-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Other Investments

Particulars	As at March 31, 2023					As at March 31, 2022				
	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
(a) Investment in other companies (unquoted) (Refer Note (i) below)										
133,385,343 (March 31, 2022: 133,385,343;) equity shares of ₹ 10 held in East Coast Energy Private Limited	-	-	-	-	-	-	-	-	-	-
1,227,000 (March 31, 2022: 8,180,000;) equity shares of ₹ 10 held in Adhunik Power and Natural Resources Limited	-	-	-	-	-	-	-	-	-	-
39,831,212 (March 31, 2022: 39,831,212;) equity shares of ₹ 10 held in Athena Chattisgarh Power Limited	-	-	-	-	-	-	-	-	-	-
12,132,677 (March 31, 2022: 12,132,677;) equity shares of ₹ 10 held in Prayagraj Power Generation Company Limited	-	-	-	-	-	-	-	-	-	-
(b) **Investment in optionally convertible debentures**										
Investment in others (unquoted)										
Nil (March 31, 2022: 200) optionally convertible debentures of ₹ 10,000,000 held in Ostro Energy Private Limited	-	-	-	-	-	-	-	23,300.05	-	23,300.05
Investment in security receipts (unquoted)										
307,470 (March 31, 2022: 307,470) security receipts of face value ₹1000 each held in Edelweiss Assets Reconstruction Co Ltd (13,200 @ ₹ 585.99 (previous year - ₹ 764.58) and 294,270 @ ₹ 691.55 (previous year - ₹ 839.55)) held in Adhunik Power and Natural Resources Limited.	2,112.38	-	-	-	2,112.38	2,571.46	-	-	-	2,571.46
552,500 (March 31, 2022: 552,500 face value ₹ 1000 each) security receipts of held in Phoenix ARC Pvt Ltd-Sispara Renewable Pvt Ltd (552,500 @ ₹ 1 (previous year 552,500 @ ₹ 357).	5.53	-	-	-	5.53	1,972.42	-	-	-	1,972.42
7,99,000 (March 31, 2022: 7,99,000;) security receipts of ₹ 1000 each held in Phoenix ARC Pvt Ltd-RKM Powergen Pvt Ltd. (7,99,000 @ ₹ 877 (previous year - ₹ 912) each)	7,007.23	-	-	-	7,007.23	7,286.88	-	-	-	7,286.88
Total Investments (A)	9,125.14	-	-	-	9,125.14	11,830.76	-	23,300.05	-	35,130.81
Less: Allowance for Impairment Loss(B)	-	-	-	-	-	-	-	128.19	-	128.19
Total Net C= (A)+(B)-(C)	9,125.14	-	-	-	9,125.14	11,830.76	-	23,171.86	-	35,002.62

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

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, 2023	As at March 31, 2022
East Coast Energy Private Limited	13,338.53	13,338.53
Adhunik Power and Natural Resources Limited (iii)	122.90	819.32
Athena Chattisgarh Power Limited	3,983.12	3,983.12
Prayagraj Power Generation Company Limited	-	-
	17,444.55	**18,140.97**

(ii) Investments acquired through invocation of pledge shares (collaterals) has not been considered as an investment.

(iii) As per Master Restructuring Agreement (MRA) approved by NCLAT on March 02, 2022, shares of Adhunik Power were reduced from 81,80,000 nos equity shares to 12,27,000 nos. equity shares (i.e. 85% reduction) during the current year. Accordingly an amount of ₹ 696.42 lakhs have been written of through OCI against the provision made in earlier years (net impact is ₹ Nil).

9 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	49.48	68.53
Others	-	13.12
	49.48	**81.65**

10 Current tax assets (net)

TDS/TCS receivable and advance tax (Net of provision)	909.41	9,385.73
	909.41	**9,385.73**

11 Deferred tax assets

Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment and intangible assets	58.79	81.18
Foreign currency monetary items translation difference account	-	8.73
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	9,582.01	8,670.32
Financial liabilities measured at amortised cost	243.35	291.50
	9,884.15	**9,051.73**
Tax effect of items constituting deferred tax assets		
Provision for employees benefits	121.07	122.14
Impairment on financial instruments	13,919.29	11,747.42
Accrued interest deductible on payment	-	6.95
Provision for diminution in value of unquoted non-current trade investments	99.84	129.71
Financial assets measured at amortised cost	596.80	55.12
Foreign currency monetary items translation difference account	38.25	-
Cash flow hedge reserve	120.88	130.81
Lease liability	0.94	19.02
	14,897.07	**12,211.17**
Deferred tax (assets) /liabilities (net)	**(5,012.92)**	**(3,159.44)**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Deferred taxes arising from temporary differences for the year ended March 31, 2023 and March 31, 2022 are summarized as follows:

Deferred tax assets/(liabilities)	As at April 1, 2022	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2023
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment and intangible assets	81.18	(22.39)	-	58.79
Foreign currency monetary items translation difference account	8.73	(46.98)	-	(38.25)
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	911.69	-	9,582.01
Financial liabilities measured at amortised cost	291.50	(48.15)	-	243.35
	9,051.73	**794.17**	**-**	**9,845.90**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	122.14	3.25	(4.32)	121.07
Impairment on financial instruments	11,747.42	2,171.87	-	13,919.29
Accrued interest deductible on payment	6.95	(6.95)	-	-
Losses/ diminution in value of investments	129.71	(29.87)	-	99.84
Financial assets measured at amortised cost	55.12	541.68	-	596.80
Cash flow hedge reserve	130.81	-	(9.93)	120.88
Lease liability	19.02	(18.08)	-	0.94
	12,211.17	**2,661.90**	**(14.25)**	**14,858.82**
Deferred tax (assets)/ liabilities (net)	**(3,159.44)**	**(1,867.73)**	**14.25**	**(5,012.92)**

Deferred tax assets/(liabilities)	As at April 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2022
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	(23.02)	-	81.18
Foreign currency monetary items translation difference account	117.43	(108.70)	-	8.73
Special reserve under section 36(1)(viii) of Income-tax Act, 1961	8,670.32	-	-	8,670.32
Financial liabilities measured at amortised cost	821.36	(529.86)	-	291.50
	9,713.31	**(661.58)**	**-**	**9,051.73**
Tax effect of items constituting deferred tax assets				
Provision for employees benefits	114.42	21.57	(13.85)	122.14
Impairment on financial instruments	15,834.28	(4,086.86)	-	11,747.42
Accrued interest deductible on payment	13.90	(6.95)	-	6.95
Losses/ diminution in value of investments	251.08	(3.49)	(117.88)	129.71
Financial assets measured at amortised cost	1,019.54	(964.42)	-	55.12
Cash flow hedge reserve	163.30	-	(32.49)	130.81
Lease liability	29.14	(10.12)	-	19.02
	17,425.66	**(5,050.27)**	**(164.22)**	**12,211.17**
Deferred tax (assets) /liabilities (net)	**(7,712.35)**	**4,388.69**	**164.22**	**(3,159.44)**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

12 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Leasehold improvements	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Office equipment	Total	Right of use-Buildings
Gross carrying amount (at cost)										
As at April 1, 2021	**456.24**	**3.50**	**11.94**	**3,522.75**	**100.05**	**180.31**	**66.29**	**213.21**	**4,554.29**	**1,574.76**
Additions	-	-	-	-	15.66	98.91	-	32.47	147.04	-
Disposals	-	-	-	-	0.60	33.11	-	5.72	39.43	-
As at March 31, 2022	**456.24**	**3.50**	**11.94**	**3,522.75**	**115.11**	**246.11**	**66.29**	**239.96**	**4,661.90**	**1,574.76**
Additions	-	-	-	-	-	22.06	-	13.06	35.12	2,468.72
Disposals	-	-	-	-	3.37	16.37	-	12.93	32.67	1,574.76
As at March 31, 2023	**456.24**	**3.50**	**11.94**	**3,522.75**	**111.74**	**251.80**	**66.29**	**240.09**	**4,664.35**	**2,468.72**
Accumulated depreciation										
As at April 1, 2021	391.38	-	5.09	2,805.87	82.88	158.85	42.59	190.75	3,677.41	839.67
Charge for the year	**23.97**	**-**	**0.33**	**91.26**	**11.27**	**29.24**	**7.36**	**17.91**	**181.34**	**419.25**
Disposals/Adjustments	-	-	-	-	0.29	21.58	-	2.66	24.53	-
As at March 31, 2022	**415.35**	**-**	**5.42**	**2,897.13**	**93.86**	**166.51**	**49.95**	**206.00**	**3,834.22**	**1,258.92**
Charge for the year	18.06	-	0.32	79.64	5.16	43.99	4.82	12.69	164.68	436.24
Disposals/Adjustments	-	-	-	-	1.76	10.34	-	8.69	20.79	1,574.76
As at March 31, 2023	**433.41**	**-**	**5.74**	**2,976.77**	**97.26**	**200.16**	**54.77**	**210.00**	**3,978.11**	**120.40**
Net carrying amount										
As at March 31, 2022	40.89	3.50	6.52	625.62	21.25	79.60	16.34	33.96	827.68	315.84
As at March 31, 2023	**22.83**	**3.50**	**6.20**	**545.98**	**14.48**	**51.64**	**11.52**	**30.09**	**686.24**	**2,348.32**

(i) Refer note 41 for information on property, plant and equipment mortgage/hypothecated 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

13 Intangible asset

Particulars	As at March 31, 2023
Intangible assets under development	**Computer software**
Gross carrying amount (at cost)	
As at April 1, 2021	-
Additions	-
Disposals	-
As at March 31, 2022	**-**
Additions	15.46
Disposals	-
As at March 31, 2023	**15.46**
Net carrying amount	
As at March 31, 2022	**-**
As at March 31, 2023	**15.46**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Intangible assets under development ageing schedule as at March 31, 2023

Intangible assets under development	less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	15.46	-	-	-	15.46
Projects temporarily suspended	-	-	-	-	-
	15.46	-	-	-	15.46

(Previous year ₹ Nil)

14 Other intangible asset

Particulars	As at March 31, 2023
	Computer software
Gross carrying amount (at cost)	
As at April 1, 2021	281.93
Additions	4.76
Disposals	-
As at March 31, 2022	**286.69**
Additions	-
Disposals	-
As at March 31, 2023	**286.69**
Accumulated depreciation	
As at April 1, 2021	**265.86**
Charge for the year	**6.58**
Adjustments	-
As at March 31, 2022	**272.44**
Charge for the year	**7.17**
Adjustments	-
As at March 31, 2023	**279.61**
Net carrying amount	
As at March 31, 2022	**14.25**
As at March 31, 2023	**7.08**

15 Other non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances*	1,038.85	1,038.85
Provision for advances	(1,038.85)	(1,038.85)
	-	-
Prepaid expense	53.72	50.45
Balances with government authorities	82.21	40.97
	135.93	**91.42**

*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 50% 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. As the Company had cancelled the land deal, as a matter of abundant caution, a provision against the amount deposited with YEIDA was created in the year FY 2020-21.

During the previous year the company had received an amount of ₹ 500 lakhs from ICICI bank which was given as an advance towards purchase of land.

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

16 Trade Payables

Particulars		As at March 31, 2023	As at March 31, 2022
i)	Total outstanding dues of micro enterprises and small enterprises	44.98	2.23
ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	141.35	174.08
Total		**186.33**	**176.31**

a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	44.98	2.23
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.	-	-

b) Trade Payable ageing is as follows

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	44.98	-	-	-	44.98
(ii) Others	86.69	42.28	-	-	12.38	141.35
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
(i) MSME	-	2.23	-	-	-	2.23
(ii) Others	129.29	22.36	0.01	3.75	18.67	174.08
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-

17 Debt securities

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Infrastructure bonds (i)	899.55	922.50
Debentures (ii) #	7,218.11	11,699.51
Total	**8,117.66**	**12,622.01**
Debt securities in India	899.55	2,422.50
Debt securities outside India	7,218.11	10,199.51
	8,117.66	**12,622.01**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Infrastructure bonds

17,991 (March 31, 2022: 18,450) privately placed 9.15% secured redeemable non-convertible long-term infrastructure bonds of ₹ 5,000 each (Infra Series 2) amounting to ₹ 899.55 lakhs (March 31, 2022: ₹ 922.50 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 unencumbered receivables of the Company to provide the 100% security coverage. During the year, the company has repaid ₹ 22.95 lakhs (March 31, 2022: ₹ 9,997.05 lakhs) under maturity of Options I and II and buyback scheme exercised by eligible holders of infrastructure bonds of Options III and IV in FY2021-22 as per terms of Infra Series 2.

(ii) Debentures

NIL (March 31, 2022: 1,500) privately placed 9.80% secured redeemable non-convertible debentures of ₹ NIL each (March 31, 2022: 2,00,000 each) (Series 5) amounting to ₹ NIL (March 31, 2022: ₹ 3,000.00 lakhs) were allotted on June 16, 2015 redeemable at par in five equal annual instalments commencing from June 12, 2018. The debentures were fully repaid on time during FY 22-23

Series 5 debentures were 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

Nil (March 31, 2022: 900) privately placed 10.50% secured redeemable non-convertible debentures of ₹ NIL each (March 31, 2022: ₹ 166,667 each) (Series 3) amounting to ₹ NIL (March 31, 2022: ₹ 1,500.00 lakhs) were allotted on January 27, 2011 redeemable at par in six equal annual instalments commencing from January 26, 2018. The debentures were fully repaid on time during FY 22-23

Series 3 debentures were secured by way of mortgage of immovable building and exclusive 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, 2022: 2,135) privately placed 9.62% secured redeemable non-convertible debentures of ₹ 340,000 each (March 31, 2022 : ₹ 340,000 each) (Series 4) amounting to ₹ 7,259.00 lakhs (March 31, 2022 : ₹ 7,259.00 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 exclusive 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

#Net of Ind AS adjustments in respect of transaction costs at Effective Interest Rate (EIR) amounting to ₹ 40.89 lakhs (March 31, 2022: ₹ 59.49 lakhs)

18 Borrowings (other than debt securities)*

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Loans		
- from banks (i)	496,066.97	685,017.55
-External commercial borrowings from financial institutions (ii)	5,638.45	14,111.08
Lease liability	2,352.70	387.54
Total	**504,058.12**	**699,516.17**
Borrowings in India	**498,419.67**	**685,405.09**
Borrowings outside India	5,638.45	14,111.08
Total	**504,058.12**	**699,516.17**

* The funds borrowed from banks and financial institutions have been utilised for the purpose it was taken.

(i) Term loan from bank

Term loans from banks carry interest ranging from 7.35% to 9.10% p.a. The loans carry various repayment schedules according to their respective sanctions and thus are repayable in 20 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. at all times during the currency of the loan at all times during the currency of the loan. Refer note No 65.2 (IX) for maturity profile of borrowings

(ii) External commercial borrowings

External Commercial Borrowings ("ECB") carry interest ranging from 3 months LIBOR+1.90% to LIBOR+3.10% p.a during FY22-23. The loan is repayable in 32 equal quarterly instalments as per the due dates specified in the loan agreement. The borrowing is 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, 2023, repayments of ECB loans have been made amounting to USD 11,756,952 (₹ 8,743.32 lakhs).

As at March 31, 2023, the Company had undrawn sanctioned borrowing facilities of ₹ 30,078 lakhs (March 31, 2022 : ₹ 1,63,500 lakhs).

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

19 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
(Measured at amortised cost)		
Interest accrued but not due on borrowings		
- Term loan	117.87	321.44
- Debentures	237.24	353.46
- Infrastructure bonds	1,111.69	990.73
Unclaimed dividend	51.71	58.95
Unclaimed interest on debentures and bonds	3,361.12	8,660.49
Deferred processing/upfront fees	848.02	955.31
Income received in advance	419.85	858.05
Payable to employees & others	293.56	476.97
	6,441.06	**12,675.40**

20 Provisions

Gratuity	38.76	8.20
Compensated absences	186.19	213.01
Other employees benefits	13.65	25.59
	238.60	**246.80**

21 Other non-financial liabilities

Statutory remittances	123.93	9.02
	123.93	**9.02**

22 Equity share capital

Authorised Equity share capital		
1,250,000,000 (March 31, 2022: 1,250,000,000) equity shares of ₹ 10 each	125,000.00	125,000.00
Authorised Preference share capital		
750,000,000 (March 31, 2022: 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, 2022: 642,283,335) equity shares of ₹ 10 each fully paid up	64,228.33	64,228.33
	64,228.33	**64,228.33**

(i) Terms /rights aattached to equity shares:

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.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Equity Share Capital	
	Number of shares	Amount
As at April 1, 2021	642,283,335	64,228.33
Add: Equity shares issued during the year	-	-
As at March 31, 2022	642,283,335	64,228.33
Add: Equity shares issued during the year	-	-
As at March 31, 2023	**642,283,335**	**64,228.33**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

(iii) Shareholders holding more than 5% shares are set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	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.

(iv) 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.

(v) Shareholding of promoters are as follows:

	As at March 31, 2023		
Promoter Name	**No. of shares**	**% of total shares**	**% change during the year**
PTC India Limited	417,450,001	64.99	-

	As at March 31, 2022		
Promoter Name	**No. of shares**	**% of total shares**	**% change during the year**
PTC India Limited	417,450,001	64.99	-

(vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

23 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
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)	41,690.41	38,174.27
Special reserve (in terms of Section 36(1) (viii) of the Income tax Act, 1961)	38,072.18	34,449.78
Impairment reserve	27,371.36	27,371.36
Equity instruments through other comprehensive income	(17,205.70)	(17,902.12)
Cash flow hedge reserve	(359.39)	(388.93)
Foreign currency monetary items translation difference account	(44.94)	(308.68)
Retained earnings	29,241.30	19,482.71
Total	**180,045.79**	**162,158.96**

(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	**38,174.27**	**35,574.57**
Add: Transferred from Retained earnings	3,516.14	2,599.70
Closing balance	**41,690.41**	**38,174.27**

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.

(iii) Special reserve (in terms of Section 36(1)(viii) of the Income tax Act, 1961)

Opening balance	**34,449.78**	**34,449.78**
Add: Transferred from Retained Earnings	3,622.40	-
Closing balance	**38,072.18**	**34,449.78**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	**27,371.36**	**12,696.98**
Add: Transferred from Retained Earnings	-	14,674.38
Closing balance	**27,371.36**	**27,371.36**

This reserve is maintained in accordance with the RBI Circular on Implementation of Ind AS dated March 13, 2020.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	**(17,902.12)**	**(18,697.76)**
Add: Change in fair value of FVOCI equity investments	-	1,220.76
Add/less: Tax impact	-	(425.12)
Less: Transfer to retained earnings on disposal/derecogniton of investments	696.42	-
Closing balance	**(17,205.70)**	**(17,902.12)**

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	**(388.93)**	**(485.54)**
Add: Changes in fair value of derivative contracts- gain/ (loss)	477.59	56.79
Add/(Less): Amount reclassified to profit or loss	(438.12)	72.31
Less: Tax impact	(9.93)	(32.49)
Closing balance	**(359.39)**	**(388.93)**

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	**(308.68)**	**(813.61)**
Add/(less): Effect of foreign exchange rate variations during the year (net)	215.52	(120.41)
Add/less: Amortisation for the year through profit or loss	48.22	625.34
Closing balance	**(44.94)**	**(308.68)**

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.

(viii) Retained earnings

Opening balance	**19,482.71**	**23,717.11**
Add: Net profit for the year	17,580.72	12,998.48
Add: Remeasurement of post-employment benefit obligation, net of tax	12.83	41.20
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(3,516.14)	(2,599.70)
Less: Transferred to special reserve u/s 36(1)(viii) of the Income tax Act Act, 1961	(3,622.40)	-
Less: Trasfer to Impairment Reserve	-	(14,674.38)
Add: Transfer to retained earnings on disposal/derecogniton of investments	(696.42)	
Closing balance	**29,241.30**	**19,482.71**

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(ix) Distributions made and proposed

Particulars	As at March 31, 2023	As at March 31, 2022
Cash dividends on equity shares declared and paid:		
Dividend for the year ended March 31, 2023: ₹ Nil per share (March 31, 2022: ₹ Nil per share)	-	-

(x) Proposed dividend on Equity Shares:

Board of Directors considered and recommended a dividend @ 10% i.e. ₹ 1 per equity share of ₹ 10 each for the financial year 2022-23, subject to approval of the members at the ensuing Annual General Meeting.

24 Interest income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on loans	71,025.06	87,523.21
Interest income on debentures	1,378.82	2,492.07
Interest on fixed deposits	4,245.69	2,445.66
Interest income on other financial assets	7.28	7.97
	76,656.85	**92,468.91**

25 Fee and commission Income

Fee based income	2,072.65	2,468.88
	2,072.65	**2,468.88**

26 Other income

Consultancy and other services	22.46	0.42
Profit on sale of property, plant and equipment	3.81	1.57
Interest on income tax refund	593.52	1,526.73
Miscellaneous Income	0.03	58.80
	619.82	**1,587.52**

27 Finance costs (on financial liabilities measured at amortised cost)

Interest expenses on:		
Borrowings:		
-On Loans from banks/ financial institutions	41,660.77	52,781.57
-On External commercial borrowings	546.61	994.73
-On lease liability	61.58	62.62
Debt securities		
-On Infra bonds	173.42	1,809.58
-On Debentures	903.17	1,473.42
-On Commercial paper	-	525.42
Other interest expenses:		
- Delayed payment of income tax	-	-
- Interest expense on security deposits	-	75.26
Other Borrowing Costs:		
- Loss/amortisation of foreign currency transaction/transalation	(154.51)	254.26
	43,191.04	**57,976.86**

28 Fees and commission expense

Other charges on term loans and other borrowings	91.92	170.47
	91.92	**170.47**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

29 Net loss on fair value changes

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net loss on financial instruments at fair value through profit or loss		
-Loss on MTM of derivatives	299.36	343.79
-Loss on modification of cash flow	198.38	6.14
	497.74	**349.93**

30 Impairment on financial instruments

Impairment loss on financial instruments based on category of financial instrument:		
Loans*	8,016.88	16,800.54
Others	52.01	(15.00)
	8,068.89	**16,785.54**

* Refer note 45 (A.4)

31 Employees benefit expense

Salaries and other allowances	1,699.66	1,685.61
Contribution to provident fund	71.63	65.52
Staff welfare expense	191.99	141.84
	1,963.28	**1,892.97**

32 Depreciation and amortisation expense

Depreciation on tangible assets and right-of-use (Refer note 12)	600.92	600.59
Amortisation on intangible assets (Refer note 13)	7.17	6.58
	608.09	**607.17**

33 Other expenses

Repairs and maintenance		
- Plant and equipment	125.48	115.18
- others	118.25	82.93
Insurance	12.11	6.88
Rates and taxes	42.36	67.86
Penalty Charges	68.79	-
Communication	47.71	34.12
Travelling and conveyance	80.53	31.52
Advertising and business development	69.68	29.82
Corporate social responsibility expenses (Refer Note 50)	103.43	21.00
Legal and professional	945.96	967.19
Auditor remuneration:	-	
- For statutory audit	11.00	9.00
- For quarterly audit/limited review	19.62	16.20
- For tax audit	2.16	1.80
- For other certification and reporting	8.18	8.20
- For out of pocket expenses *	0.80	1.51
Property, plant and equipment written off.	1.01	1.49
AGM expenses	1.46	5.64
Bank charges	0.18	7.36
Directors' sitting fees	127.31	81.10
Miscellaneous expenses	264.25	212.35
	2,050.27	**1,701.15**

* Paid to predecessor auditors

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

34 Income tax expense

(a) Income tax expense recognised in Statement of profit and loss

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax		
In respect of the current year	7,523.81	4.05
	7,523.81	**4.05**
Deferred tax charge/ (benefits)		
In respect of the current year	**(1,867.73)**	**4,388.69**
	(1,867.73)	4,388.69
Total tax expense in statement of profit and loss.	**5,656.08**	**4,392.74**

(b) Income tax expense recognized in other comprehensive income

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax relating to cash flow hedge reserve	(9.93)	(32.49)
Income tax relating to remeasurement gains/(losses) on defined benefit plans		(13.85)
Income tax relating to FVTOCI to equity investments	(4.32)	(307.24)
Deferred tax benefits/(charge) relating to FVTOCI to equity investments	-	(117.88)
	(14.25)	**(471.46)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will be reclassified to profit or loss	(9.93)	(32.49)
Items that will not be reclassified to profit or loss	(4.32)	(438.97)
	(14.25)	**(471.46)**

(c) Reconciliation of the expected tax expense based on the domestic effective tax rate applicable in india and the reported tax expense in statement of profit and loss.

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax	23,236.80	17,391.22
Domestic tax rate as per income tax rate	25.168%	25.168%
Expected tax expense [A]	**5,848.24**	**4,377.02**
Adjustment on account of non-deductible expenses and special reserve	42.98	15.72
Reversal during tax holiday period	-	-
Adjustment for change in tax rate during the year	-	-
Others	(235.14)	-
Total effect of tax adjustment [B]	**(192.16)**	**15.72**
Actual tax expense [C = A + B]	**5,656.08**	**4,392.74**

35 Contingent liabilities and commitments*

a) In respect of following:		
- Income tax matters	3,703.20	3,691.29
b) Commitments		
- Loan financing	-	3,560.00

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.

* Read with note no. 56

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

36 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings & lease liabilities (Other than debt securities)	Total
As at April 01, 2021	**63,608.80**	**853,810.92**	**917,419.72**
Cash flows:			
Proceeds from debt securities/borrowings	-	571,852.62	571,852.62
Repayment of debt securities/borrowings	(51,017.13)	(725,438.37)	(776,455.50)
Repayment of lease liability	-	(454.24)	(454.24)
Non-cash:			
Foreign currency fluctuation impact	-	(504.93)	(504.93)
Impact of borrowings measured at amortised cost	30.34	250.17	280.51
As at March 31, 2022	**12,622.01**	**699,516.17**	**712,138.18**
Cash flows:			
Proceeds from debt securities/borrowings	-	**51,000.00**	**51,000.00**
Repayment of debt securities/borrowings	(4,522.94)	(248,799.32)	(253,322.26)
Repayment of lease liability	-	(542.70)	(542.70)
Non-cash:			
Addition in lease liability	-	**2,507.86**	**2,507.86**
Foreign currency fluctuation impact	-	130.38	130.38
Impact of borrowings measured at amortised cost	18.59	245.73	264.32
As at March 31, 2023	**8,117.66**	**504,058.12**	**512,175.78**

37 Disclosures under Ind AS 19 (Employee benefits)

The details of various employee benefits provided to employees are as under:

Defined contribution plans

Particulars	As at March 31, 2023	As at March 31, 2022
Provident fund	71.63	65.52

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.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

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, 2023 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.

Principal assumptions:	**Gratuity/Post Medical retirement benefit**	
	As at March 31, 2023	As at March 31, 2022
Discount rate	7.39%	7.26%
Future salary increase	9.00%	9.00%
Retirement age	60/62	60/62
Withdrawal rate	1-3%	1-3%
In service mortality	IALM (2012-14)	IALM (2012-14)

(a) **The amounts recognised in Balance Sheet are as follows:**

Principal assumptions:	**Gratuity**	
	As at March 31, 2023	**As at March 31, 2022**
A) **Present Value of Defined Benefit Obligation**		
- Wholly funded	222.69	246.66
- Wholly unfunded	-	-
	222.69	**246.66**
Less: Fair value of plan assets	(183.93)	(238.46)
Amount to be recognised as liability or (asset)	**38.76**	**8.20**
B) **Amounts reflected in Balance Sheet**		
Liabilities	38.76	8.20
Assets	-	-
Net liability	**38.76**	**8.20**

(b) **Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-**

Particulars	**Gratuity**		**Post Medical retirement benefit**	
	As at March 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
Service cost				
Current service cost	27.01	27.13	1.25	2.02
Past service cost and (gain)/Loss from settlements	-	-	-	-
Net interest expense	17.91	7.09	1.86	4.70
Component of defined benefit cost recognised in profit or loss	**44.92**	**34.22**	**3.11**	**6.72**
Amount recognised in Other comprehensive Income/profit and loss				
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(3.26)	7.05	(0.06)	(11.67)
Actuarial (gains)/ losses arising from experience adjustments	(2.24)	(11.82)	(14.99)	(38.61)
Actuarial (gains)/ losses arising from plan assets	(11.65)	-	-	-
Component of defined benefit cost recognised in Other comprehensive Income/profit and loss	**(17.15)**	**(4.77)**	**(15.05)**	**(50.28)**

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/profit and loss

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(c) Movements in the present value of the defined benefit obligation are as follows :-

Particulars	Gratuity		Post Medical retirement benefit	
	As at March 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
Present value of obligation as at the beginning	246.66	217.21	25.59	69.15
Current service cost	27.01	27.13	1.25	2.02
Interest cost	17.91	7.09	1.86	4.70
Past service cost including curtailment gains/ losses	-	-	-	-
Benefits paid	(63.39)	-	-	-
Net actuarial (gain) / loss recognised	(5.50)	(4.77)	(15.05)	(50.28)
Present value of obligation as at the end	222.69	246.66	13.65	25.59

(d) 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 balance sheet is presented below:

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Present Value of unfunded defined benefit obligation	222.69	246.66
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**222.69**	**246.66**

Particulars	Post Medical retirement benefit	
	As at March 31, 2023	As at March 31, 2022
Present Value of unfunded defined benefit obligation	**13.65**	**25.59**
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**13.65**	**25.59**

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.

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.

S. No	Particular	Gratuity			
		Effect of 0.5% basis Increase		Effect of 0.5% basis decrease	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	Impact of change in discount rate	(12.22)	(16.23)	12.40	14.89
2	Impact of change salary escalation rate	12.16	14.84	(12.09)	(13.71)

Sensitivities due to change in mortality rate and change in withdrawal rate are not material and hence impact of such change is not calculated.

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Other disclosures

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2023	As at March 31, 2022
Average duration of the defined benefit obligation (in years)		
Less than 1 year	23.04	34.23
Between 1-2 years	11.08	21.47
Between 2-5 years	29.18	24.08
Over 5 years	173.03	192.47
Total	**236.33**	**272.25**

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, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	2,567.29	-	2,567.29	33,800.21	-	33,800.21
Bank balance other than cash and cash equivalents above	56,420.02	0.50	56,420.52	60,630.30	1,273.36	61,903.66
Derivative financial instruments	-	1,030.20	1,030.20	372.42	636.03	1,008.45
Trade receivables	419.73	-	419.73	110.62	-	110.62
Loans	104,425.14	580,286.96	684,712.10	209,671.28	596,260.15	805,931.43
Investments	-	9,125.14	9,125.14	23,171.86	11,830.76	35,002.62
Other financial assets	-	49.48	49.48	81.65	-	81.65
Non-financial assets						
Current tax assets (net)	-	909.41	909.41	-	9,385.73	9,385.73
Deferred tax assets (net)	-	5,012.92	5,012.92	-	3,159.44	3,159.44
Property, Plant and Equipment	-	686.24	686.24	-	827.68	827.68
Right of use-Buildings	-	2,348.32	2,348.32	315.84	-	315.84
Other intangible asset	-	7.08	7.08	-	14.25	14.25
Intangible assets under development	-	15.46	15.46	-	-	-
Other non-financial assets	135.93	-	135.93	91.42	-	91.42
Total Assets	**163,968.11**	**599,471.71**	**763,439.82**	**328,245.60**	**623,387.40**	**951,633.00**
LIABILITIES						
Financial liabilities						
Payables						
Trade Payables						
(i) total outstanding dues to micro and small enterprises	44.98	-	44.98	2.23	-	2.23
(ii) total outstanding dues of creditors other than micro and small enterprises	141.35	-	141.35	174.08	-	174.08
Debt securities	899.55	7,218.11	8,117.66	5,422.50	7,199.51	12,622.01
Borrowings (Other than debt securities)	119,660.80	382,044.62	501,705.42	205,030.05	494,098.58	699,128.63
Lease liability	562.78	1,789.92	2,352.70	387.54	-	387.54
Other financial liabilities	5,593.04	848.02	6,441.06	11,720.09	955.31	12,675.40
Non-financial liabilities						
Provisions	71.52	167.08	238.60	14.32	232.48	246.80
Other non-financial liabilities	123.93	-	123.93	9.02	-	9.02
Total Liabilities	**127,097.95**	**392,067.75**	**519,165.70**	**222,759.83**	**502,485.88**	**725,245.71**
Net equity	**36,870.16**	**207,403.96**	**244,274.12**	**105,485.77**	**120,901.52**	**226,387.29**

Notes to the consolidated financial statements for the year ended March 31, 2023
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39 Segment reporting

The Company's main business is to provide project financing for entire 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
Key management personnel:	
Shri Deepak Amitabh	Chairman and Non-Executive Director (ceased w.e.f. 06th November, 2021)
Dr. Rajib Kumar Mishra	Chairman and Non-Executive Director (w.e.f. 08th November, 2021)
Dr. Pawan Singh	Managing Director and CEO
Shri Naveen Kumar	Whole Time Director (ceased w.e.f. 09th July, 2021 due to his superannuation)
Smt. Pravin Tripathi	Independent Director (ceased w.e.f. 14th October, 2021)
Shri Rakesh Kacker	Independent Director (ceased w.e.f.31st December, 2021)
Shri Kamlesh Shivji Vikamsey	Independent Director (ceased w.e.f. 19th January 2022)
Shri Santosh Balachandran Nayar	Independent Director (ceased w.e.f. 19th January 2022)
Shri Thomas Mathew T.	Independent Director (ceased w.e.f. 19th January 2022)
Dr. Ajit Kumar	Nominee Director (ceased w.e.f. 08th April, 2021)
Shri Rajiv Malhotra	Nominee Director (ceased w.e.f. 06th November, 2021)
Ms. Renu Narang	Nominee Director (w.e.f. 21st June, 2021 and ceased w.e.f 10th December, 2021)
Shri Pankaj Goel	Nominee Director (w.e.f. 08th November, 2021)
Mrs. Sushama Nath	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 22nd November 2022)
Shri Jayant Purushottam Gokhale	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 02nd December 2022)
Shri Devendra Swaroop Saksena	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 02nd December 2022)
Shri Ramesh Narain Misra	Independent Director (w.e.f. 29th March 2022 and ceased w.e.f. 30th December 2022)
Shri Naveen Bhushan Gupta	Independent Director (w.e.f. 15th November 2022)
Smt. Seema Bahuguna	Independent Director (w.e.f. 15th November 2022)
Mrs P V Bharathi	Independent Director (w.e.f. 15th November 2022)
Shri. Sanjay Rustagi	Chief Financial Officer
Shri Vishal Goyal	Company Secretary (ceased w.e.f. 25.06.2022)
Shri Mohit Seth	Company Secretary (w.e.f. 25th June 2022 and ceased w.e.f. 16th November 2022)
Smt. Shweta Agrawal	Company Secretary (w.e.f. 17.11.2022)

Transactions with the key management personnel during the year:

Particulars	**Nature of transaction**	**As at March 31, 2023**	As at March 31, 2022
Dr. Pawan Singh	**Remuneration**		
	-Short-term benefits	160.48	91.72
	-Post-employment benefits	3.30	3.42
	-Other long-term benefits	7.51	3.65
		171.29	**98.79**
	Closing balance	0.25	0.17

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Shri Naveen Kumar	**Remuneration**		
	-Short-term benefits	28.32	21.82
	-Post-employment benefits	-	-
	-Other long-term benefits	-	8.32
		28.32	**30.14**
	Closing balance	-	-
Shri Sanjay Rustagi	**Remuneration**		
	-Short-term benefits	81.81	44.02
	-Post-employment benefits	2.24	1.33
	-Other long-term benefits	3.89	2.22
		87.94	**47.57**
	Closing balance	-	-
Shri Vishal Goyal	**Remuneration**		
	-Short-term benefits	29.55	44.98
	-Post-employment benefits	9.70	2.23
	-Other long-term benefits	13.43	2.86
	Sale of Fixed assets	2.19	-
		54.87	**50.07**
	Closing balance	-	-
Shri Mohit Seth	**Remuneration**		
	-Short-term benefits	57.52	-
	-Post-employment benefits	1.72	-
	-Other long-term benefits	-	-
		59.24	**-**
	Closing balance	-	-
Smt Shweta Agrawal	**Remuneration**		
	-Short-term benefits	26.58	-
	-Post-employment benefits	0.38	-
	-Other long-term benefits	0.51	-
		27.47	**-**
	Closing balance	0.30	-
Non-Executive Directors*	Sitting fees	78.80	56.40
	Reimbursement of expenses	0.34	0.40
		79.14	**56.80**
	Closing balance	4.68	-

*March 31, 2023 excludes ₹ 38.00 lakhs (March 31, 2022 ₹ 17.60 lakhs) which has been paid to the holding company as sitting fees of the directors

Transactions with the related parties

Particulars	As at March 31, 2023	As at March 31, 2022
PTC India Limited		
Expenses reimbursed	9.65	19.07
Director sitting fees	38.00	17.60
PTC Energy Limited		
Interest income	456.08	852.92

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Loans to fellow subsidiary company

PTC Energy Limited

Particulars	As at March 31, 2023	As at March 31, 2022
Beginning of the year	4,865.15	12,624.93
Loan Disbursed	-	-
Loan repayments received	(540.57)	(7,759.78)
Interest charged	456.08	852.92
Interest received	(456.08)	(852.92)
Interest reversal-Covid-19 moratorium	(7.07)	-
Interest reversal payment	7.07	-
End of the year	**4,324.58**	**4,865.15**
Maximum outstanding balance during the year	**4,865.15**	**12,624.93**

Shri Sanjay Rustagi (Car loan as per company's HR policy)

Particulars	As at March 31, 2023	As at March 31, 2022
Beginning of the year	9.14	9.88
Loan Disbursed	-	-
Loan repayments received	(1.50)	(1.50)
Interest charged	0.64	0.76
Interest received	-	-
End of the year	**8.28**	**9.14**
The interest amount will be recovered after the recovery of principal.		
Maximum outstanding balance during the year	**9.14**	**9.88**

Balance outstanding at the year end

Name of related party	Nature	As at March 31, 2023	As at March 31, 2022
PTC India Limited	Receivables- other	-	13.12
PTC Energy Limited	Receivables- loan given	4,324.58	4,865.15
Shri Sanjay Rustagi	Receivables- loan given	8.28	9.14

41 Details of assets pledged/ hypothecated as security:

The carrying amounts of assets pledged/ hypothecated as security for borrowings and debt securities are:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	419.73	110.62
Loans	684,708.31	805,929.10
Property, Plant and Equipment - Building	-	6.52

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). 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.

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

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

- 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.

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	32.41%
Capital Adequacy ratio - Tier II	0.64%
	33.05%

43. Categories of financial instruments

The Carrying value of financial assets and liabilities are as follows :-

Particulars	As at March 31, 2023			
	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	9,125.14	-	-	9,125.14
Loans	-	-	684,712.10	684,712.10
Derivative assets	-	1,030.20	-	1,030.20
Trade Receivables	-	-	419.73	419.73
Cash and cash equivalents	-	-	2,567.29	2,567.29
Bank balances other than above	-	-	56,420.52	56,420.52
Other financial assets	-	-	49.48	49.48
Total financial assets	**9,125.14**	**1,030.20**	**744,169.12**	**754,324.46**
Financial liabilities				
Debt Securities	-	-	8,117.66	8,117.66
Borrowings (Other than debt securities)	-	-	501,705.42	501,705.42
Lease liability	-	-	2,352.70	2,352.70
Derivative liabilities	-	-	-	-
Trade payables	-	-	186.33	186.33
Other financial liabilities	-	-	6,441.06	6,441.06
Total financial liabilities	**-**	**-**	**518,803.17**	**518,803.17**

Particulars	As at March 31, 2022			
	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Investments	11,830.76	-	23,171.86	35,002.62
Loans	-	-	805,931.43	805,931.43
Derivative assets	372.42	636.03	-	1,008.45
Trade Receivables	-	-	110.62	110.62
Cash and cash equivalents	-	-	33,800.21	33,800.21

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at March 31, 2022			
	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Bank balances other than above	-	-	61,903.66	61,903.66
Other financial assets	-	-	81.65	81.65
Total financial assets	**12,203.18**	**636.03**	**924,999.43**	**937,838.64**
Financial liabilities				
Debt Securities	-	-	12,622.01	12,622.01
Borrowings (Other than debt securities)	-	-	699,128.63	699,128.63
Lease liability	-	-	387.54	387.54
Trade payables	-	-	176.31	176.31
Other financial liabilities	-	-	12,675.40	12,675.40
Total financial liabilities	**-**	**-**	**724,989.89**	**724,989.89**

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, 2023:

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	-	-	-	-
Derivative financial instruments				
- Derivative instruments (net)	-	-	-	-
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	9,125.14	9,125.14
Derivative financial instruments				
- Derivative instruments (net)	-	1,030.20	-	1,030.20

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at fair value through OCI				
Investments				
- Equity instruments	-	-	-	-
Derivative financial instruments				
- Derivative instruments (net)	-	372.42	-	372.42
Financial assets at fair value through profit and loss:				
Investments				
- Security receipts	-	-	11,830.76	11,830.76
Derivative financial instruments				
- Derivative instruments (net)	-	636.03	-	636.03

Notes to the consolidated financial statements for the year ended March 31, 2023

(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, 2023 and March 31, 2022 :

Particulars	Investments in security receipts
As at March 31, 2021	**13,086.34**
Acquisitions	-
Gains/(losses) recognized in profit or loss	(6.14)
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(1,249.44)
As at March 31, 2022	**11,830.76**
Acquisitions	-
Gains/(losses) recognized in profit or loss	(198.38)
Gains/(losses) recognized in other comprehensive income	-
(Disposal)/ acquisition	(2,507.24)
As at March 31, 2023	**9,125.14**

There are no financial liabilities measured at fair value on recurring basis. There were no transfers between the 3 levels in the reporting periods.

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.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Infrastructure Bonds	899.55	899.55	922.50	922.50
Debentures	7,218.11	6,559.53	11,699.51	11,714.36

Particulars	Fair value hierarchy As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Infrastructure Bonds	-	-	899.55	899.55
Debentures	-	-	6,559.53	6,559.53

Particulars	Fair value hierarchy As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Liabilities at amortised cost				
Infrastructure Bonds	-	-	922.50	922.50
Debentures	-	-	11,714.36	11,714.36

The fair value of the financial assets and liabilities are disclosed 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:-

-Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments are 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 which 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.

(All amounts in Lakhs of ₹ unless otherwise stated)

-Trade receivables, Cash and Cash equivalents, other bank balances, 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, other 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 manageing 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 processes to provide early identification of possible deterioration in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system which assig ns 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, 2023**	As at March 31, 2022
Loans	684,712.10	805,931.43
Investments in Debentures	-	23,171.86
Trade receivables	419.73	110.62
Cash and cash equivalents	2,567.29	33,800.21
Other bank balances	56,420.52	61,903.66
Other financials asset	49.48	81.65

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

(All amounts in Lakhs of ₹ unless otherwise stated)

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, 2023	As at March 31, 2022
Low credit risk		
Trade receivables	637.29	147.99
Cash and cash equivalents	2,567.29	33,800.21
Bank balances other than above	56,420.52	61,903.66
Loans	594,210.36	678,460.74
Investment in Debentures	-	23,300.05
Other financial assets	49.48	81.65
Moderate credit risk		
Loans	44,665.35	68,914.93
High credit risk		
Loans	100,492.00	105,194.40
Investments in Debentures	428.58	428.58

*** These represent gross carrying values of financial assets without deduction of 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 borrowers 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 loan receivables amounts 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 include security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

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 its borrowers done by RBI approved credit rating agencies like ICRA, CARE, CRISIL and India rating etc.

These two together helps the Company in better monitoring of its borrowers. The stageing criteria for ECL computation is also driven by these two criteria. Stageing of an account gets impacted by taking into consideration both internal rating and external rating.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

A.2 Expected credit loss measurement

A.2.1Significant increase in credit risk and credit impaired financial assets

The Company considers a financial instrument to have experienced a significant increase based on the stageing 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.2.2Definition of default

The Company defines a financial instrument as in default, if any borrower whose contractual payments are due for more than 90 days, which is in line with RBI guidelines.

A.2.3Explanation 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 is used for estimation of PD. ICRA's one-year transition matrix is used as the base probability of default matrix.

Stage 1: 12-month PDs are taken directly from one-year transition matrix and so, Point in Time (PIT) conversion is not done, as it is already giving PIT PDs.

Stage 2: PD for second year onwards is estimated using Matrix Multiplication Approach.

Stage 3: As the accounts classified into stage 3 are non-performing assets so probability of default is 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

"For Stage 1 accounts, if the residual maturity of the facility is greater than 12 months, the derived ECL estimates will be discounted by one year; if the residual maturity of the facility is less than 12 months, the derived ECL estimates will be discounted by the residual maturity of the facility.

For Stage 2 accounts, annual ECL estimates will be discounted from first year onwards to arrive at the ECL for current year.

As at March 31, 2023, 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 or borrower has defulted in payment beyond 90 days. For measuring expected credit loss (ECL) allowance 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, sustainable debt under resolution plan 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.

Basis of calculating loss rates

First step involved in ECL computation is stageing of the assets into three categories. Stageing 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 are considered for stage wise classification of credit exposures:

1. Stage III exposures are 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 is envisaged.
2. Stage II exposure are exposures which are not considered impaired asset but were classified as 'Stressed Accounts' or are flagged as High-Risk Category.

3. All other accounts not meeting the first two criteria are classified as Stage 1 accounts.

Quantitative and qualitative factors considered along with quantification w.r.t loss rates

Impact of specific risk factors are taken into account while stageing of accounts and computation of PD. External credit rating is also used for stageing criteria. The industry of the borrower is also considered for classification of the borrower. If a borrower belonged to an industry under stress, then the borrower is classified as stage 2 or 3 account.

For computation of loss given default, haircuts on collateral, based on subjective parameters are used.

- Sector/Sub-sector

- Source of Power Generation

- PPA Status

A.2.4Forward looking information incorporated in ECL models

The PDs are derived using the relationship of historic default rates of the portfolio and respective macroeconomic variable (GDP growth rate). Worst, Mild and Best scenarios are created for all the macroeconomic variable and default rates are estimated for all the four scenarios. The scenarios are 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 are created/built to compute the shock factors.

These shock factors were then added to the base PD term structure, which is arrived using the matrix multiplication technique, thereby creating four different PD term structures for the four

Scenarios. These shocked PDs are 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, 2023**		As at March 31, 2022	
	Exposure	**Impairment allowance**	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage III)	100,491.91	44,931.81	105,194.40	37,360.85
Loan assets having significant increase in credit risk (Stage II)	44,665.35	5,585.88	68,914.93	4,726.50
Other loan assets (Stage I)*	**594,210.36**	**4,137.83**	**678,460.74**	**4,551.29**
Total	**739,367.62**	**54,655.52**	**852,570.07**	**46,638.64**

*Includes loans amounting to ₹ 27.48 lakhs (Previous year ₹ 32.73 lakhs) given to employees.

A.3.1Collateral 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, Government 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

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 Stage 2 or stage 3 due to financial instruments experiencing significant increase (or decrease) 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.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

Loss allowance	Stage 1	Stage 2	Stage 3	
	12 months ECL	Lifetime ECL	Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Balance as at April 1, 2021	**3,239.74**	**2,316.60**	**57,310.15**	**62,866.49**
Transfer to/ from 12 months ECL	581.97	(581.97)	-	-
Transfer to/ from life time ECL not credit impaired	(1,522.38)	1,522.38	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(3.14)	3.14	-
Net remeasurement of loss allowance	2,251.96	1,472.63	13,075.95	**16,800.54**
Write offs	-	-	(33,028.39)	**(33,028.39)**
Balance as at March 31, 2022	**4,551.29**	**4,726.50**	**37,360.85**	**46,638.64**
Loans and advances to customers at amortised cost				
Balance as at April 1, 2022	**4,551.29**	**4,726.50**	**37,360.85**	**46,638.64**
Transfer to/ from 12 months ECL	-	-	-	-
Transfer to/ from life time ECL not credit impaired	(1,043.95)	1,043.95	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(2,996.08)	2,996.08	-
Net remeasurement of loss allowance	630.48	2,811.51	4,574.89	**8,016.88**
Write offs	-	-	-	-
Balance as at March 31, 2023	**4,137.82**	**5,585.88**	**44,931.82**	**54,655.52**

The following table further explains changes in the gross carrying amount of the loan portfolio to help in explaing their significance to the changes in the loss allowance for the same portfolio as discussed above:

Gross Exposure	Stage 1	Stage 2	Stage 3	
	12 months ECL	Lifetime ECL	Lifetime ECL	Total
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2021	832,951.49	91,349.19	134,638.02	**1,058,938.70**
Transfer to/ from 12 months ECL	5,819.72	(5,819.72)	-	-
Transfer to/ from life time ECL not credit impaired	(15,222.23)	15,222.23	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(314.00)	314.00	-
New Financial assets originated or purchased	388,781.89	1.40		388,783.29
Financial Assets that have been recognised/ (derecognised)	(533,902.86)	(31,524.17)	3,270.77	**(562,156.26)**
Write offs	-	-	(33,028.39)	**(33,028.39)**
Balance as at March 31, 2022	**678,428.01**	**68,914.93**	**105,194.40**	**852,537.34**
Loans and advances to customers at amortised Cost				
Balance as at 1 April, 2022	**678,428.01**	**68,914.93**	**105,194.40**	**852,537.34**
Transfer to/ from 12 months ECL	-	-	-	-
Transfer to/ from life time ECL not credit impaired	(10,816.34)	10,816.34	-	-
Transfer to/ from Lifetime ECL credit impaired	-	(14,228.75)	14,228.75	-
Net remeasurement of loss allowance	-	-	-	-
New Financial assets originated or purchased	224,410.00	879.00	-	**225,289.00**
Financial Assets that have been derecognised	(297,838.88)	(21,716.17)	(18,931.15)	**(338,486.20)**
Write offs	-	-	-	-
Change in Model risk parameters	-			
Foreign exchange and other movements	-			
Balance as at March 31, 2023	**594,182.79**	**44,665.35**	**100,492.00**	**739,340.14**

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

A.5 Concentration of credit risk

The Management of the Company has identified and monitors concentration of credit risk in the following categories.

Industry/ Sector	As at March 31, 2023	As at March 31, 2022
Gross carrying amount of loans*		
Concentration by Industry/ Sector		
Coal Mining	4,111.46	4,266.11
Electric Mobility	8,786.67	21,214.96
Hydro	-	15,459.97
Manufacturing	144.54	264.54
Other Infrastructure	29,855.48	-
Port	14,351.48	14,492.55
Road	78,616.32	125,264.26
Solar	79,362.65	139,602.71
State Power Utility	290,819.59	251,664.23
Thermal	53,189.53	76,801.17
Transmission	40,834.68	65,347.08
Water - Sewage treatment	6,682.92	2,970.85
Wind	132,584.82	135,188.91
	739,340.14	**852,537.34**

*Excludes loans amounting to ₹ 27.48 lakhs (Previous year ₹ 32.73 lakhs) 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 in statement of profit and loss.

i) Expected credit losses for financial assets other than loans

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, 2023	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,567.29	0%	-	2,567.29
Other bank balance	56,420.52	0%	-	56,420.52
Investments	-	0%	-	-
Trade receivables	419.73	52%	217.56	202.17
Other financial assets	49.48	0%	-	49.48

As at March 31, 2022	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	33,800.21	0%	-	33,800.21
Other bank balance	61,903.66	0%	-	61,903.66
Investments	23,300.05	1%	128.19	23,171.86
Trade receivables	147.99	25%	37.37	110.62
Other financial assets	81.65	0%	-	81.65

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

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, 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	419.73	-	-	-	419.73
Cash and Cash Equivalents	2,567.29	-	-	-	2,567.29
Fixed Deposit with banks (other than above)	56,420.02	0.50	-	-	56,420.52
Derivative assets	-	1,030.20	-	-	1,030.20
Loans	157,674.48	284,136.30	189,214.51	311,587.24	942,612.53
Other financial assets	49.48	-	-	-	49.48
Total	**217,131.00**	**285,167.00**	**189,214.51**	**311,587.24**	**1,003,099.75**

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Trade receivables	110.62	-	-	-	110.62
Cash and Cash Equivalents	33,800.21	-	-	-	33,800.21
Bank balance other than (a) above	60,630.30	1,273.36	-	-	61,903.66
Derivative assets	372.42	-	636.05	-	1,008.47
Loans	265,535.28	239,930.00	181,894.75	441,453.60	1,128,813.63
Other financial assets	81.65	-	-	-	81.65
Total	**360,530.48**	**241,203.36**	**182,530.80**	**441,453.60**	**1,225,718.24**

Maturities of financial liabilities

The tables below analyse the financial 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

March 31, 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	160,097.52	258,051.43	158,475.42	43,472.09	620,096.46
Lease liability	562.78	1,168.12	1,116.83	-	2,847.73
Derivative liabilities	-	-	-	-	-
Trade payables	186.33	-	-	-	186.33
Other financial liabilities	-	-	-	-	-
Total	**160,846.63**	**259,219.55**	**159,592.25**	**43,472.09**	**623,130.52**

March 31, 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	260,151.96	286,160.90	224,013.82	107,686.18	878,012.86
Lease liability	387.54	-	-	-	387.54
Derivative liabilities	-	0.02	-	-	0.02
Trade payables	176.31	-	-	-	176.31
Other financial liabilities	11,720.09	955.31	-	-	12,675.40
Total	**272,435.90**	**287,116.23**	**224,013.82**	**107,686.18**	**891,252.13**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Note: To address the risk of mismatch between pay-out of liabilities and realisation of assets in next one year, the Company had undrawn sanctioned borrowing facilities of ₹ 30,078 Lakhs

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 manageing 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, 2023**	As at March 31, 2022
Financial liabilities (USD)		
Foreign currency loan (INR)	5,638.45	14,111.08
Net exposure to foreign currency risk (liabilities)	**5,638.45**	**14,111.08**

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	**As at March 31, 2023**	As at March 31, 2022
USD sensitivity*		
INR/USD- increase by 492 bp (March 31, 2022: 464 bp)	277.41	654.75
INR/USD- decrease by 492 bp (March 31, 2022: 464 bp)	**(277.41)**	**(654.75)**

* 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, 2023, 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, 2023**	As at March 31, 2022
Variable rate borrowing	498,419.67	692,400.54
Fixed rate borrowing	13,756.11	19,737.64
Total borrowings	**512,175.78**	**712,138.18**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	**As at March 31, 2023**	As at March 31, 2022
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2022:100 bps)	(4,984.20)	(6,924.01)
Interest rates – decrease by 100 basis points (March 31, 2022:100 bps)	4,984.20	6,924.01

* Holding all other variables constant

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate bearing 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, 2023**	As at March 31, 2022
Variable rate loans	709,333.81	823,787.09
Fixed rate loans*	30,033.81	28,782.98
Total loans	**739,367.62**	**852,570.07**

*Includes loans amounting to ₹ 27.48 lakhs (March 31, 2022 ₹ 32.73 lakhs) given to employees.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	**As at March 31, 2022**	As at March 31, 2021
Interest sensitivity*		
Interest rates – increase by 100 basis points (March 31, 2022:100 bps)	7,093.34	8,237.87
Interest rates – decrease by 100 basis points (March 31, 2022:100 bps)	(7,093.34)	8,237.87

* 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, 2023 would increase / decrease by ₹ Nil (for the year ended March 31, 2022: ₹ Nil) as a result of the changes in fair value of equity investments measured at FVTOCI.

C) Legal and operational risk

i) Legal risk

Legal and operational risk Legal risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.

The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, nagative publicity,etc. are significantly reduced, As at March 31, 2023, there are no material legal cases pending against the Company. The management believes that no substamlal liability Is likely to arise from these cases."

ii) Operational risk

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks In the underlaying processes. The framework at its core, has the following elements:

1. Documented Operational Risk Management Policy.
2. Well defined Governance Structure.
3. Use of identification and Monltonng tools such as Loss Data "Capture, Key Risk Indicators. BRisk Operation Grading of branches every quarter.
4. Standardized reporting templates . reporting structure and frequency.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

The Company has adopted the internationally accepted 3-lines of defence approach to operational risk management.

First line - Field Operations, Central Operation & Product function. Credlt and Internal Control & Quality vertical exercise & also evaluate internal compliance and thereby lay down/calibrates processes & policies for further improvement. Thus, the approach is "Bottom-up"". ensuring acceptance of findings and faster adoption of corrective actions. if any. to ensure mitigation of perceived risks.

Second line - Independent risk management vertical supports the first line in providing deep analytics insights. Influencing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis.

Third line - Internal Audit conducts periodic risk-based audits of all functions and process to provide an independent assurance to the Audit Committee.

46 Ind AS 116 Leases

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) The weighted average incremental borrowing rate applied to lease liabilities recognised was 8.11%. (previous year 10.24%)

(b) The following are amounts recognised in profit or loss:

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
Depreciation expense of right-of-use assets	436.24	419.25
Interest expense on lease liabilities	61.58	62.62
	497.82	**481.87**

(c) The following are amounts recognised in statement of cash flows:

Total cash outflow for leases	542.70	454.24

Please refer note 45(B) for maturity analysis of lease liability and maturity analysis of contractual undiscounted cash flows

(d) Change in carrying amount of right to use of assets

Particulars		**Year ended March 31, 2023**	Year ended March 31, 2022
i)	**Carrying value of right to use of assets**	1,574.76	1,574.76
	Add : Addition during the year	2,468.72	-
	Less : Deletion/adjustment during the year	(1,574.76)	-
	Closing balance on reporting period	2,468.72	1,574.76
ii)	**Depreciation on right to use of assets**		
	Opening balance on reporting period	1,258.92	839.67
	Add : Charge for the year	436.24	419.25
	Less : Deletion/adjustment during the year	(1,574.76)	-
	Closing balance on reporting period	120.40	1,258.92
	Net Block (i-ii)	**2,348.32**	**315.84**

47 Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2023

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	594,210.36	4,137.83	590,072.53	2,376.84	1,760.99
	Stage 2	44,665.35	5,585.88	39,079.47	178.66	5,407.22
	Stage 3	29,292.51	4,361.38	**24,931.13**	**10,412.38**	**(6,051.00)**
Subtotal		**668,168.22**	**14,085.09**	**654,083.13**	**12,967.88**	**1,117.21**

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

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
Non-Performing Assets (NPA)						
Substandard	Stage 3	13,440.96	4,724.83	8,716.13	1,344.10	3,380.73
Doubtful - upto 1 year	Stage 3	312.92	116.11	196.81	135.30	(19.19)
1 to 3 years	Stage 3	15,000.00	9,720.75	5,279.25	11,199.53	(1,478.78)
More than 3 years	Stage 3	4,331.81	4,030.70	301.11	4,099.67	(68.97)
Subtotal for doubtful (Refer Note)		**19,644.73**	**13,867.56**	**5,777.17**	**15,434.50**	**(1,566.94)**
Loss	Stage 3	**38,113.71**	**21,978.04**	**16,135.67**	**38,114.18**	**(16,136.14)**
Subtotal for NPA		**71,199.40**	**40,570.43**	**30,628.97**	**54,892.78**	**(14,322.35)**
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**594,210.36**	**4,137.83**	**590,072.53**	**2,376.84**	**1,760.99**
	Stage 2	**44,665.35**	**5,585.88**	**39,079.47**	**178.66**	**5,407.22**
	Stage 3	**100,491.91**	**44,931.81**	**55,560.10**	**65,305.16**	**(20,373.35)**

Note: ₹ 27,371.36 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 23. and accordingly no additional provision has been created during the year.

The loan asset classified in stage III, under standard assets, amounting to ₹ 29,292.51 lakhs pertain to the borrower which has been overdue for more than one year however, in accordance with judicial pronouncement related this asset/ account, the account is not classified as NPA as at March 31, 2023. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 4,361.38 lakhs and Impairment reserve amounting to ₹ 6,051.01 lakhs as at March 31, 2023.

One of the loan asset classified in stage III under loss category, amounting to ₹ 23,942.79 lakhs, pertain to the borrower which is classified as NPA on Feb 02, 2022 after completion of resolution plan and declaration of such asset as "Fraud' to RBI in Feb, 2022. However, for presentation in the table above, the categorisation is done based on actual dates since the account became overdue from December 1, 2018. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 9,409.61 lakhs and Impairment reserve amounting to ₹ 14,533.57 lakhs as at March 31, 2023.

Comparison between ECL as per Ind AS 109 and provision as per RBI norms as at March 31, 2022

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	678,428.01	4,551.29	673,876.72	2,713.71	1,837.58
	Stage 2	68,914.93	4,726.50	64,188.43	988.64	3,737.86
	Stage 3	33,213.48	**4,063.48**	**29,150.00**	**10,852.00**	**(6,788.52)**
Subtotal		**780,556.42**	13,341.27	767,215.15	14,554.35	(1,213.08)
Non-Performing Assets (NPA)						
Substandard	Stage 3	312.60	2.65	309.95	31.40	(28.75)
Doubtful - upto 1 year	Stage 3	12,766.51	207.04	12,559.47	2,553.31	(2,346.27)
1 to 3 years	Stage 3	38,069.47	18,127.05	19,942.42	33,679.42	(15,552.37)
More than 3 years	Stage 3	8,332.34	2,460.64	5,871.70	5,116.09	(2,655.45)
Subtotal for doubtful (Refer Note)		**59,168.32**	**20,794.73**	**38,373.59**	**41,348.82**	**(20,554.09)**
Loss	Stage 3	12,500.00	12,500.00	-	12,500.00	-
Subtotal for NPA		**71,980.92**	**33,297.38**	**38,683.54**	**53,880.22**	**(20,582.84)**
Total	**Stage 1**	**678,428.01**	**4,551.29**	**673,876.72**	**2,713.71**	**1,837.58**
	Stage 2	**68,914.93**	**4,726.50**	**64,188.43**	**988.64**	**3,737.86**
	Stage 3	**105,194.40**	**37,360.86**	**67,833.54**	**64,732.22**	**(27,371.36)**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Note: ₹ 27,371.36 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 23.

"The loan asset classified in stage III, under standard assets, amounting to ₹ 33,213 lakhs pertain to the borrower which has been overdue for more than one year however, in accordance with judicial pronouncement related this asset/ account, the account is not classified as NPA as at March 31, 2022. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 4,063 lakhs and Impairment reserve amounting to ₹ 6,789 lakhs as at March 31, 2022.

One of the loan asset classified in stage III under doubtfull 1 to 3 years, amounting to ₹ 23,069 lakhs, pertain to the borrower which is classified as NPA on Feb 02, 2022 after completion of resolution plan and declaration of such asset as "Fraud' to RBI in Feb, 2022. However, for presentation in the table above, the categorisation is done based on actual dates since the account became overdue from December 1, 2018. The Company has considered the overdue status, together with fair value of secured amount, for calculating the corresponding ECL provision amounting to ₹ 9,400 lakhs and Impairment reserve amounting to ₹ 13,669 lakhs as at March 31, 2022.

48 Earnings per share

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
a) Basic earnings per share	2.74	2.02
b) Diluted earnings per share	2.74	2.02
c) Reconciliations of earnings used in calculating earnings per share		

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
Profits attributable to the equity holders of the company used in calculating basic and diluted earnings per share	17,580.72	12,998.48

d) Weighted average number of shares used as the denominator

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
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.

49 Foreign currency disclosure

Particulars	**As at March 31, 2023**	As at March 31, 2022
a) Earning in foreign currency	-	-
b) Expenses in foreign currency	608.92	1,056.70
b) Principal repayment	8,743.32	8,504.05

50 Expenditure on Corporate Social Responsibility

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
(a) Gross amount required to be spent	201.56	82.20
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	87.85	21.00
(c) Shortfall at the end of the year	113.71	61.20
(d) Total of previous years shortfall	113.71	61.20
(e) Reason of shortfall (*)		
(f) Nature of CSR activities (**)		

** Promoting health care including preventive health care; Setting up old age homes, day care centers and such other facilities for senior citizens; protection of flora and fauna; Contributions to public funded Universities; Indian Institute of Technology (IITs); Ensuring environmental sustainability, ecological balance and Making available safe drinking water

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

(g) Details of related party trasactions	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately		
At the beginning of the year	-	-
Fresh provision made during the year	-	-
Payment made during the year	-	-
At closing of the year	-	-

(*) unspent amount of current year amounting to ₹ 113.71 lakhs has been subsequently transferred to the UNSPENT CSR ACCOUNT. Moreover, the unspent CSR amount of ₹ 82.20 lakhs pertaining to FY 2021-22 was paid to IIT Delhi on 29th September 2022

(**) 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.

51 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.

52 During the year ended March 31, 2023 there was delay in transferring of 30,010 nos. equity shares and unclaimed divident of ₹ 7.20 lakhs to the Investor Education and Protection Fund ('IEPF'). Further there is no amount due for payment to the IEPF as at the year end.

53 Details of statutory dues which have not been deposited as on March 31, 2023 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	1,094.74
		Upto Commissioner (Appeals)	2012-13, 2014-15, 2017-18	781.42	70.91

54 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:-

a) The title deeds of Immovable properties of the Company are held in the name of the Company.

b) There is no proceeding initiated or pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

c) The Company is not declared wilful defaulter by any bank or financial Institution or any other lenders.

d) The Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act.

e) There is no scheme of arrangement which has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

f) There were no transaction that had not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h) The Company does not have borrowings from banks or financial institutions on the basis of security of current assets. The loans are secured by first pari-passu charge on receivables of loan assets by way of hypothecation.

i) The Company being an non-banking finance company, as part of its normal business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the company has also borrowed funds from banks, financial institutions in compliance with regulatory requirements in the ordinary course of business other than trascations discribed above, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;"

The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

j) All the charges with respect to borrowings have been created in favor of lenders with ROC within statutory timeline during the financial year FY 2022-23. Further satisfaction of charges for certain borrowings which were duly repaid to lenders are due for satisfaction with ROC as at March 31, 2023.

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

k) The Company has not entered into any transactions with the companies struck off under section 248 of the Act or section 560 of the Companies Act, 1956.

l) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment

55 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post employment. has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet Issued. The Company will assess the impact of the Code and will give approprjate Impact In the financial statements in the period In which, the Code becomes effective and the related rules to determine the financial impact are published.

56 (a) On January 19, 2022, three independent directors 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 the Company, submitted its forensic audit report (FAR). The Company engaged a reputed professional services firm to independently review the 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. The management's responses and remarks of professional services firm, together with report of forensic auditor, had been presented by the management to the Board in its meeting held on November 7, 2022 and November 13, 2022 and Board observed that forensic auditor has not identified any event having material impact on the financials of the Company and has not identified any instance of fraud and/or diversion of funds by the Company. 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 the Company 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 the Company and also have not identified any instances of fraud and diversion of funds by the Company 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 (read with note no. 58 below) to the Company 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 the Company 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.The management believes that there will be no material financial impact of these on the state of affairs of the Company.

(b) Post resignation of ex-independent directors (as stated above), the Company has not been able to comply with the various provisions of Companies Act, 2013 related to constitution of committees of the Board and timely conduct of their meetings during the period January 19, 2022 to till July 15, 2022 (except the Audit Committee and NRC duly constituted on April 6, 2022), read with note no. 56(a) above.The management believes that there will be no material financial impact due to fines/penalties arising from such process.

(c) Two independent directors of the Company in their resignation letters, each dated December 2, 2022 raised certain matters which includes, the issues raised by the erstwhile independent directors of PFS (who resigned on January 19, 2022). The Company has rebutted these fully and submitted its reply with the stock exchanges and Reserve Bank of India and in this regard presently communications/correspondences is going on and the management believes that there will be no material financial impact of these on the state of affairs of the Company.

(d) The certain pending minutes of meetings of audit committee and IT strategy commitee held since April 8, 2022 till November 14,2022 have been finalized by Company, 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.Company believes that the relevant provisions of Companies Act,2013 have been complied with and there will be no material impact on state of affairs of the Company.

e) 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 the Company, on matters of Corporate Governance Issues raised by Independent Directors who resigned on January 19, 2022 and December 2, 2022, as detailed in (a) & (c) 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 the Audit Committee and the 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). The Company 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 the Company and the same has been noted and taken on record by the Audit Committee and Board of Directors in their respective meetings held on May 18, 2023.

57 As at March 31, 2023, for loans under stage I and stage II, the management has determined the value of secured portion on the basis of best available information including book value of assets/projects as per latest available balance sheet of the borrowers, technical and cost certificates provided by the experts and valuation of underlying assets performed by external professionals appointed either by the Company or consortium of lenders. For loan under stage 3, the management has determined the value of secured portion on the basis of best available information, including valuation of underlying assets by external consultant/resolution professional (RP) for loan assets under IBC proceedings,sustainable debt under resolution plan, claim amount in case of litigation and proposed resolution for loan under resolution through Insolvency and Bankruptcy Code (IBC) or settlement. 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.

58 The Company had received a communication from ROC on March 28, 2018, pursuant to complaints received from identified third parties, alleging mismanagement in the Company's operations. The Company had submitted its reply dated April 18, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. Company received another letter dated September 24, 2021 u/s 206(4) of the

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Companies Act, 2013 from Office of Registrar of Companies, Ministry of Corporate affairs initiating inquiry and seeking specified information/documents, primarily related to the period upto FY 2018-19. The Company has submitted the reply, with requisite information/documents, in response to the letter on October 22, 2021.In this regard correpondances with ROC is going on and management believes that there will no material impact on final closer inquiry by ROC.

59 As on March 31, 2023, the Company has assessed its financial position, including expected realization of assets and payment of liabilities including borrowings, and believes that sufficient funds will be available to pay-off the liabilities through availability of High Quality Liquid Assets (HQLA) and undrawn lines of credit to meet its financial obligations in atleast 12 months from the reporting date

60 Disclosures pursuant to Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular R BI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

Particulars	**During the year ended March 31, 2023**
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

61 Previous year, other comprehensive income includes profit (net of tax) amounting to ₹ 795.64 lakhs by selling 21,904,762 nos. of equity shares of M/s Patel Engineering Limited which were acquired as a part of one time settlement of loan of M/s Dirang Energy Pvt. Ltd.

62 On November 12, 2021, the Reserve Bank of India ("RBI") had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms ("IRACP norms") pertaining to Advances. On February 15, 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30, 2022. Same has been implemented by the company and there is no financial impact in FY 2022-23.

63 (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 lakhs in the Associate. The Company had filed a several legal cases against the Associate and its promoters. Subsequently, PTC Group and R S group signed a Final Settlement Agreement on July 29, 2021. As a part of settlement agreement, Company had withdrawn all the pending cases and compliance of other terms of the final Settlement Agreement is in process. However, pending compliance of other terms and conditions of Final Settlement Agreement, the Company continues to fully provided for the diminution in value of investment held in this Associate. (b) Further, the financial statements for the year ended March 31, 2023 of RS India Wind Energy India Private Limited (RSIWEPL) and Varma Bio Energy Pvt Ltd, associates of the Company are not available for consolidation purposes. However, in view of the management, since the Company has made full provision for diminution for its investments held in these 2 Associates 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".

64 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure. The audited standalone financial statements of the Company for the year ended 31stMarch 2022 were audited by the predecessor auditor who expressed modified opinion vide their report dated 16th November, 2022.

65. Ratio to be disclosed as per requirements of Schedule III of the Act

Particulars		**Year ended March 31, 2023**	Year ended March 31, 2022
A.	Capital to risk-weighted assets ratio (CRAR)		
	Capital	212,572.89	199,018.79
	Risk-weighted assets ratio	643,047.82	745,057.49
	Capital to risk-weighted assets ratio (CRAR)	33.06%	26.71%
	% Change as compared to the preceeding year	23.78%	10.83%
B.	Tier I CRAR		
	Tier I capital	208,435.06	194,467.50
	Risk-weighted assets ratio	643,047.82	745,057.49
	Tier I CRAR	32.41%	26.10%
	% Change as compared to the preceeding year	24.21%	10.15%
C.	Tier II CRAR		
	Tier II capital	4,137.83	4,551.29
	Risk-weighted assets ratio	643,047.82	745,057.49
	Tier II CRAR	0.64%	0.61%
	% Change as compared to the preceeding year	5.36%	50.86%

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
D.	Liquidity coverage ratio		
	High quality liquid assets	65,411.00	85,698.00
	Total net cash flows	65,622.63	97,696.73
	Liquidity coverage ratio	99.68%	87.72%
	% Change as compared to the preceding year	13.63%	-0.51%
E.	Current Ratio (1)	Not Applicable	Not Applicable
F.	Debt equity ratio (2)	2.09	3.14
	% Change as compared to the preceeding year (note 5)	-33.62%	-28.06%
G.	Debt service coverage ratio (1)	Not Applicable	Not Applicable
H.	Return on equity ratio (3)	7.47%	5.93%
	% Change as compared to the preceeding year (note 6)	25.96%	386.13%
I.	Trade receivable turnover ratio (1)	Not Applicable	Not Applicable
J.	Trade payable turnover ratio (1)	Not Applicable	Not Applicable
K.	Net capital turnover ratio (1)	Not Applicable	Not Applicable
L.	Net profit ratio (4)	22.06%	13.42%
	% Change as compared to the preceeding year (note 6)	64.38%	416.97%
M.	Return on capital employed (1)	27.19%	33.29%
	% Change as compared to the preceeding year	-18.32%	-16.49%
N.	Return on investment (1)	Not Applicable	Not Applicable

Notes :-

1 The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are not applicable

2 Debt - equity ratio = (debt securities + borrowings - other than debt securities + subordinated liabilities) / net worth, where net worth is aggregate of equity share capital and other equity

3 Return on equity ratio = profit after tax / average net worth

4 Net profit ratio = profit after tax / total income

5 Due to reduction of debt in the current year

6 Due to the increase in net profit after tax

66. Schedule-III additional disclosure on Consolidated Financial Statements As on March 31, 2023

As at and for the year ended March 31, 2023

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	244,274.12	100.00	17,580.72	100.00	42.37	100.00	17,623.09
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**	**244,274.12**	**100.00**	**17,580.72**	**100.00**	**42.37**	**100.00**	**17,623.09**

Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

As at and for the year ended March 31, 2022

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		8	9
Parent									
PTC India Financial Services Limited	India	100.00	226,387.29	100.00	12,998.48	100.00	933.45	100.00	13,931.93
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**	**226,387.29**	**100.00**	**12,998.48**	**100.00**	**933.45**	**100.00**	**13,931.93**

See accompanying notes forming part of the consolidated financial statements 1-66

As per our report of even date attached
For **Lodha & Co**
Chartered Accountants
ICAI firm registration. 301051E

Sd/-
Gaurav Lodha
Partner
M. No. 507462

Place : New Delhi
Date : May 18, 2023

For and on behalf of the Board of Directors

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

Sd/-
Naveen Bhushan Gupta
Director
DIN: 00530741

Sd/-
Shweta Agrawal
Company Secretary

Sd/-
Sanjay Rustagi
Chief Financial Officer

Place: New Delhi
Date : May 18, 2023

PTC India
Financial Services Limited

PTC India Financial Services Ltd.

(A Subsidiary of PTC India Ltd.)

CIN: L65999DL2006PLC153373

Registered Office:

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