

Date: May 30, 2024

The Manager Listing Department/ Department of Corporate Relations <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 533344	The General Manager <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 400051 Scrip Symbol: PFS
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**Sub: Outcome of the Board Meeting dated May 30, 2024**

**Ref.: Regulation 30, 33, 52 and 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)**

Dear Sir/ Madam,

With reference to our today’s intimation and in reference to the above referred provisions of SEBI LODR Regulations, we wish to inform you that the Board of Directors of PTC India Financial Services Limited (“**PFS/ Company**”) in their meeting held on Today i.e. May 30, 2024, *inter-alia*, considered and approved the following:-

- a) Audited Financial Results (Standalone and Consolidated) along with the Auditors' Report (Standalone and Consolidated) for the Fourth Quarter & Financial Year ended March 31, 2024, which are enclosed herewith as **Annexure- A**.
- b) Further, we do hereby declare and confirm that the Audit Report issued by M/s. Lodha & Co., Statutory Auditors of the Company on Audited Financial Results (Standalone and Consolidated) for the Fourth Quarter and Financial year ended March 31, 2024 are with modified opinion. In this connection Statement(s) on Impact of Audit Qualifications (for Audit Reports with Modified Opinion) is also enclosed herewith as **Annexure - B**.
- c) Security Cover Certificate in compliance with SEBI Circular bearing reference no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/6 dated May 19, 2022 read with relevant master circular and Regulation 54 of the SEBI LODR Regulations.

Please note that:

- The Meeting of Board of Directors was commenced at 8:30 P.M. and concluded at 11.40 P.M.
- Trading Window for dealing in securities of the Company shall remain closed until 48 hours from declaration of the results.

**PTC India Financial Services Ltd. (CIN: L65999DL2006PLC153373)**

(A subsidiary of PTC India Limited)

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

Board: +91 11 26737300 / 26737400 Fax: 26737373 / 26737374, Website: www.ptcfinancial.com, E-mail: info@ptcfinancial.com



The above results are being made available on the Company's website i.e. [www.ptcfinancial.com](http://www.ptcfinancial.com).

For **PTC India Financial Services Limited**

**Shweta Aggarwal**  
**Company Secretary**

**Encl: A/a**

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**INDEPENDENT AUDITORS' REPORT ON THE STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2024 OF PTC INDIA FINANCIAL SERVICES LIMITED PURSUANT TO THE REGULATION 33 AND 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED**

**TO THE BOARD OF DIRECTORS OF PTC INDIA FINANCIAL SERVICES LIMITED**

**Report on the Audit of Standalone Financial Results**

**Qualified Opinion**

We have audited the accompanying standalone financial results of PTC India Financial Services Limited ("the Company") for the quarter ended 31<sup>st</sup> March, 2024 and the year to date results for the year ended 31<sup>st</sup> March, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations" or "SEBI LODR" ).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (a) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
- (b) except for the effect/possible effects of the matter described in 'Basis for Qualified Opinion' paragraph below (including non-quantification for the reason stated therein), gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended 31<sup>st</sup> March, 2024.

**Basis Of Qualified Opinion**

Attention is drawn to:

- i) Note no. 5(B)(i) of the accompanying financial results regarding payment / reimbursement of personal expenses as stated in the said note, during the year of Rs. 49.70 lakhs (Rs. 10.94 lakhs and Rs. 38.76 lakhs) (including GST) incurred for the then Managing Director and Chief Executive Officer (Erstwhile MD & CEO) and Non Executive Chairman (NEC) of the Company. As explained to us and as stated, the Company has incurred the above stated expenses/ reimbursements related with the Show Cause Notice (SCN) sent by (a) Reserve Bank of India (RBI) to Erstwhile MD & CEO; and (b) Securities and Exchange Board of India (SEBI) to Erstwhile MD & CEO and NEC. In this regard, the Erstwhile MD & CEO and NEC had informed that the SCNs which were received by them were in their individual capacity only and same was recorded by Audit Committee and Board of Directors in earlier year. Further as explained by both the persons, (erstwhile MD&CEO and NEC) and also been recorded in minutes of the audit committee and board meetings, there will not be any financial impact on the Company of SEBI SCN (recorded by the Audit Committee and Board of Directors in their meeting held on May 18, 2023). Also, the SCN which was issued by RBI to Erstwhile MD & CEO had not been shared with the auditors citing the same been received in his personal/individual capacity.



Later on, based on legal opinion taken by the management of the Company and as noted by the Board of Directors, Rs. 10.94 lakhs and Rs. 38.76 lakhs has been shown as recoverable from NEC and Erstwhile MD & CEO respectively as on March 31, 2024 and same is not in compliance to the provisions of section 185 of the Companies Act, 2013. Subsequent to the year end, NEC has refunded Rs. 10.94 lakhs and as stated in the said note, in the opinion of the management, recoverable amount of Rs. 38.76 lakhs from erstwhile MD & CEO is pending for recovery.

- ii) As stated in Note No. 5(A)(ii) of the accompanying Statement, the Company is in the process of further strengthening its processes of internal control systems w.r.t. system driven interest/ penal interest charging as per approved rates, timely creation of security on the loans given to borrowers, timely invoking of corporate guarantee provided by the borrowers, updation of SOPs, etc.
- iii) As stated in note no. 5(A)(i)(a) of the accompanying Statement, during the year, as noted in the meeting of Board of Directors held on December 29, 2023 and in the meeting of Independent Directors held on March 11, 2024 and duly confirmed in the meeting held on May 20, 2024 (a) there were corporate governance issues related with conducting few meetings with shorter notice and delay in signing and finalization of the few minutes of Audit Committee and Board Meeting (this is to be read with our comments under para no. (ix) below under the heading "Secretarial Auditors Report" under the Emphasis of Matters"), and (b) quality, quantity and timelines of flow of information between the Company and to the Board members was ineffective and inadequate to perform duties, and needs improvement for compliances of directions of the Board and various sub-committees respectively. Earlier also, on January 19, 2022, three the then independent directors of the Company had resigned mentioning lapses in corporate governance and compliances as stated in the said note (this is to be read with note no. 10 of the accompanying Statement). The Company then had appointed an independent CA firm ("the Forensic auditor"), to undertake a forensic audit to address the same and also engaged a professional firm to independently review the issues stated in the forensic audit report with the management's responses submitted (including to assess financial implications and any indication towards suspected fraud) in forensic audit report (FAR). The said FAR with management response had been presented by the management to the Audit committee as well as Board and the Board has observed that forensic auditor did not identified any event having material impact on the financials of the Company and has also not identified any instance of fraud and/or diversion of funds by the Company. Further, two independent directors on December 2, 2022 had resigned mentioning certain matters which includes, the issues raised by the erstwhile independent directors of the Company as stated in their letters. In previous year, the issues raised by the above stated five independent directors were rebutted fully by the Company and board and submitted their reply with the stock exchanges and Reserve Bank of India in reference to the communication in this regard.

Impact for the matters stated in Basis for Qualified Opinion in para (i) to (iii) above presently is unascertainable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



## Emphasis of matters

Attention is drawn to:

- (i) As stated in note no. 5(A)(i)(b) of the accompanying Statement, as directed by the RBI (letter dated June 16, 2023), the Board of the Company in its meeting held on June 20, 2023, have resolved that till the appointment of new MD&CEO in place of Dr. Pawan Singh (who has been advised to proceed on leave with immediate effect till his superannuation) is made, newly appointed Director (Finance) & CFO to take over the functions and responsibilities of the MD&CEO, with immediate effect. The term of Dr. Pawan Singh as MD&CEO completed with the close of business hours on October 2, 2023. The Company is in the process of appointing MD & CEO in compliance to Section 203 of the Companies Act, 2013.
- (ii) As stated in note no.5(A)(iii) of the accompanying Statement, the Company has filed appeals against Adjudication Orders dated June 27, 2023 of ROC, for three Show Cause Notices (SCNs) issued by the Registrar of Companies, NCT of Delhi & Haryana (ROC) for the matters stated in the said note and for remaining one SCN, the Company has filed an application for compounding, which are pending. The management believes that there will be no material financial impact on the state of affairs of the Company of this.
- (iii) During the year, the Company has paid Rs. 4.40 lakhs to three independent directors(IDs) on account of their time cost 'as Honorarium' for taking part/ joining meetings for the required activities of ( including personnel interview of short listed candidates at senior level) the company. Further, as at March 31, 2024, the company has debited the amount so paid as Honorarium and same is shown as receivables from said IDs. The said amount since has been refunded back by the IDs. As stated in the said note and in the opinion of the management the Company is in compliance with the provisions of section 197(9) of the Companies Act, 2013. [Refer note no. 5(B)(ii) of the accompanying Statement]
- (iv) Pursuant to joining of Director Finance & CFO, from June 14, 2023 to October 2, 2023, the company was having 7 Directors out of which 3 directors were independent directors. As per the provisions of Regulation 17(1)(b) of SEBI LODR, the company should have half of its directors as independent directors. Subsequently, on then MD&CEO going on leave till superannuation as per RBI directives w.e.f. June 20, 2023, the functional Board was constituted of 6 directors. Also, the RBI vide its email dated June 28, 2023, had clarified that under no circumstances then MD & CEO shall visit the office or be involved in any operations related to the company, from the date of issue of its letter and then MD & CEO completed his term on October 2, 2023. Regarding the above composition, the same was mentioned in the quarterly Corporate Governance Report submitted to Stock Exchanges. The NSE Ltd. took note of the same as satisfactory vide its email dated August 3, 2023. (Refer note no. 6 of the accompanying Statement).
- (v) In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from external consultant/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 results. (Refer Note no. 7 of the accompanying Statement).

- (vi) As stated in note no. 8 of the accompanying Statement, as on March 31, 2024, 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.
- (vii) As stated in note no. 10 of the accompanying Statement, 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 a reply dated April 13, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. As stated, on September 24, 2021, the Company had received another notice from ROC u/s 206(4) of the Companies Act, 2013, pursuant to its previous communication in 2017-18 and reference to complaints received by them in 2017-18, seeking further information on certain matters including details about erosion of investments made in associate companies and actions taken by the management including other details and details about NPA accounts. The Company responded to this notice on October 22, 2021.

Further, in respect of the above stated matter, subsequent to the year ended March 31, 2024, the Company has received Order dated May 10, 2024 under Section 206(4) of The Companies Act, 2013 from ROC, Delhi NCT & Haryana (ROC) (and its four directors and company secretary also addressed to), in accordance to which, the inquiry officer/ inspector has found out various discrepancies, objections, and prima facie contraventions of the various provisions of the Companies Act 2013 which needs further clarification to take the inquiry to a logical conclusion. In this regard, the ROC has asked for information/ comment/ explanation/documents and as informed by the management, the Company is in process of submitting the desired requirements of the ROC and the management believes that there will be no material financial impact of the above matters on the state of affairs of the Company on final conclusion of the above stated matter by the ROC.

- (viii) In terms of 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-IFC), the Company is in process of Implementation of Internal Guidelines on Corporate Governance and Guidelines on Compensation of Key Managerial Personnel & Senior Management in NBFC , and Compliance policy.

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

#### **Secretarial Auditors Report**

- (ix) The secretarial auditors of the Company in their report dated May 10, 2024, have reported that during the financial year ended March 31, 2024:
- (a) In terms of 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-IFC), as specifically applicable law to the Company, the Company is in the process of appointing CCO.



- (b) As examined compliances with the applicable clauses of the Secretarial Standards, issued by the Institute of Company Secretaries of India, during the period under review, the Company has complied with the provisions other than a couple of instances of delay in the finalisation of minutes of the Board and committee meetings

### **Management's and Board of Directors' Responsibilities for the Standalone Financial Results**

The Statement, which includes the Standalone Financial Results is the responsibility of the Board of Directors and has been approved by it for the issuance. The Statement has been prepared on the basis of the annual standalone financial statements for the year ended March 31, 2024. The Company's management and the Board of Directors are responsible for the preparation and presentation of these standalone financial results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Management and Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement 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 results.

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 Statement, 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 through a separate report on the complete set of standalone financial statements



on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 results, including the disclosures, and whether the financial results 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.

We are independent of the Company in accordance with the Code of Ethics and provisions of the Act that are relevant to our audit of the standalone financial statements in India under the Act, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Act.

#### Other Matter

The Statement includes the results for the quarter ended March 31, 2024 and March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023 and the published un-audited year to date figures up to the third quarter of the respective financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of above stated matter.

For Lodha & Co LLP  
Chartered Accountants  
Firm's Registration No. 301051E/E300284

  
(Gaurav Lodha)  
Partner

M. No. 507462

UDIN: 24507462BJZ YRO 3444

Place: New Delhi

Date: 30<sup>th</sup> May 2024





**INDEPENDENT AUDITORS' REPORT ON THE STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2024 OF PTC INDIA FINANCIAL SERVICES LIMITED PURSUANT TO THE REGULATION 33 AND 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED****TO THE BOARD OF DIRECTORS OF PTC INDIA FINANCIAL SERVICES LIMITED****Report on the Audit of Consolidated Financial Results****Qualified Opinion**

We have audited the accompanying Consolidated Financial Results of PTC India Financial Services Limited ((herein after referred to as "the Company" or "PFS") and its associates and its share of the net profit/(Loss) after tax and total comprehensive income/ loss of its associates for the quarter and year ended March 31, 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations" or "SEBI LODR").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) includes the results of the following entities:-

S.No.	Name of the Entity	Relationship with the Company
1.	R.S. India Wind Energy Private Limited	Associate Company
2.	Varam Bio Energy Private Limited	Associate Company

- (ii) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

- (iii) except for the effect/possible effects of the matter described in 'Basis for Qualified Opinion' paragraph below (including non-quantification for the reason stated therein), gives a true and fair view, in conformity with the applicable Indian accounting standards (Ind AS), and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information of the Company except of its associates (refer note no. 4 of the accompanying statement) for the quarter and year ended March 31, 2024.

**Basis for Qualified Opinion**

Attention is drawn to:

- i) Note no. 5(B)(i) of the accompanying financial results regarding payment / reimbursement of personal expenses as stated in the said note, during the year of Rs. 49.70 lakhs (Rs. 10.94 lakhs and Rs. 38.76 lakhs)



(including GST) incurred for the then Managing Director and Chief Executive Officer (Erstwhile MD & CEO) and Non-Executive Chairman (NEC) of the Company. As explained to us and as stated, the Company has incurred the above stated expenses/ reimbursements related with the Show Cause Notice (SCN) sent by (a) Reserve Bank of India (RBI) to Erstwhile MD & CEO; and (b) Securities and Exchange Board of India (SEBI) to Erstwhile MD & CEO and NEC. In this regard, the Erstwhile MD & CEO and NEC had informed that the SCNs which were received by them were in their individual capacity only and same was recorded by Audit Committee and Board of Directors in earlier year. Further as explained by both the persons, (erstwhile MD&CEO and NEC) and also been recorded in minutes of the audit committee and board meetings, there will not be any financial impact on the Company of SEBI SCN (recorded by the Audit Committee and Board of Directors in their meeting held on May 18, 2023). Also, the SCN which was issued by RBI to Erstwhile MD & CEO had not been shared with the auditors citing the same been received in his personal/individual capacity.

Later on, based on legal opinion taken by the management of the Company and as noted by the Board of Directors, Rs. 10.94 lakhs and Rs. 38.76 lakhs has been shown as recoverable from NEC and Erstwhile MD & CEO respectively as on March 31, 2024 and same is not in compliance to the provisions of section 185 of the Companies Act, 2013. Subsequent to the year end, NEC has refunded Rs. 10.94 lakhs and as stated in the said note, in the opinion of the management, recoverable amount of Rs. 38.76 lakhs from erstwhile MD & CEO is pending for recovery.

- ii) As stated in Note No. 5(A)(ii) of the accompanying Statement, the Company is in the process of further strengthening its processes of internal control systems w.r.t. system driven interest/ penal interest charging as per approved rates, timely creation of security on the loans given to borrowers, timely invoking of corporate guarantee provided by the borrowers, updation of SOPs, etc.
- iii) As stated in note no. 5(A)(i)(a) of the accompanying Statement, during the year, as noted in the meeting of Board of Directors held on December 29, 2023 and in the meeting of Independent Directors held on March 11, 2024 and duly confirmed in the meeting held on May 20, 2024 (a) there were corporate governance issues related with conducting few meetings with shorter notice and delay in signing and finalization of the few minutes of Audit Committee and Board Meeting (this is to be read with our comments under para no. (ix) below under the heading "Secretarial Auditors Report" under the Emphasis of Matters"), and (b) quality, quantity and timelines of flow of information between the Company and to the Board members was ineffective and inadequate to perform duties, and needs improvement for compliances of directions of the Board and various sub-committees respectively. Earlier also, on January 19, 2022, three the then independent directors of the Company had resigned mentioning lapses in corporate governance and compliances as stated in the said note (this is to be read with note no. 10 of the accompanying Statement). The Company then had appointed an independent CA firm ("the Forensic auditor"), to undertake a forensic audit to address the same and also engaged a professional firm to independently review the issues stated in the forensic audit report with the management's responses submitted (including to assess financial implications and any indication towards suspected fraud) in forensic audit report (FAR). The said FAR with management response had been presented by the management to the Audit committee as well as Board and the Board has observed that forensic auditor did not identified any event having material impact on the financials of the Company and has also not identified any instance of fraud and/or diversion of funds by the Company. Further, two independent directors on December 2, 2022 had resigned mentioning certain matters which includes, the



issues raised by the erstwhile independent directors of the Company as stated in their letters. In previous year, the issues raised by the above stated five independent directors were rebutted fully by the Company and board and submitted their reply with the stock exchanges and Reserve Bank of India in reference to the communication in this regard.

Impact for the matters stated in Basis for Qualified Opinion in para (i) to (iii) above presently is unascertainable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' 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 together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the matters referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Emphasis of matters**

Attention is drawn to:

- (i) As stated in note no. 5(A)(i)(b) of the accompanying Statement, as directed by the RBI (letter dated June 16, 2023), the Board of the Company in its meeting held on June 20, 2023, have resolved that till the appointment of new MD&CEO in place of Dr. Pawan Singh (who has been advised to proceed on leave with immediate effect till his superannuation) is made, newly appointed Director (Finance) & CFO to take over the functions and responsibilities of the MD&CEO, with immediate effect. The term of Dr. Pawan Singh as MD&CEO completed with the close of business hours on October 2, 2023. The Company is in the process of appointing MD & CEO in compliance to Section 203 of the Companies Act, 2013.
- (ii) As stated in note no. 5(A)(iii) of the accompanying Statement, the Company has filed appeals against Adjudication Orders dated June 27, 2023 of ROC, for three Show Cause Notices (SCNs) issued by the Registrar of Companies, NCT of Delhi & Haryana (ROC) for the matters stated in the said note and for remaining one SCN, the Company has filed an application for compounding, which are pending. The management believes that there will be no material financial impact on the state of affairs of the Company of this.
- (iii) During the year, the Company has paid Rs. 4.40 lakhs to three independent directors (IDs) on account of their time cost 'as Honorarium' for taking part/ joining meetings for the required activities of (including personnel interview of short listed candidates at senior level) the company. Further, as at March 31, 2024, the company has debited the amount so paid as Honorarium and same is shown as receivables from said IDs. The said amount since has been refunded back by the IDs. As stated in the said note and in the opinion of the management the Company is in compliance with the provisions of section 197(9) of the Companies Act, 2013. [Refer note no. 5(B)(ii) of the accompanying Statement]



- (iv) Pursuant to joining of Director Finance & CFO, from June 14, 2023 to October 2, 2023, the company was having 7 Directors out of which 3 directors were independent directors. As per the provisions of Regulation 17(1)(b) of SEBI LODR, the company should have half of its directors as independent directors. Subsequently, on then MD&CEO going on leave till superannuation as per RBI directives w.e.f. June 20, 2023, the functional Board was constituted of 6 directors. Also, the RBI vide its email dated June 28, 2023, had clarified that under no circumstances then MD & CEO shall visit the office or be involved in any operations related to the company, from the date of issue of its letter and then MD & CEO completed his term on October 2, 2023. Regarding the above composition, the same was mentioned in the quarterly Corporate Governance Report submitted to Stock Exchanges. The NSE Ltd. took note of the same as satisfactory vide its email dated August 3, 2023. (Refer note no. 6 of the accompanying Statement).
- (v) In assessing the recoverability of loans and advances, the Company has considered internal and external sources of information (i.e. valuation report from external consultant/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 results. (Refer Note no. 7 of the accompanying Statement).
- (vi) As stated in note no. 8 of the accompanying Statement, as on March 31, 2024, 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.
- (vii) As stated in note no. 10 of the accompanying Statement, 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 a reply dated April 13, 2018, after discussion with the audit committee, and denied all allegations and regarded them as frivolous attempt made by such identified third parties. As stated, on September 24, 2021, the Company had received another notice from ROC u/s 206(4) of the Companies Act, 2013, pursuant to its previous communication in 2017-18 and reference to complaints received by them in 2017-18, seeking further information on certain matters including details about erosion of investments made in associate companies and actions taken by the management including other details and details about NPA accounts. The Company responded to this notice on October 22, 2021.

Further, in respect of the above stated matter, subsequent to the year ended March 31, 2024, the Company has received Order dated May 10, 2024 under Section 206(4) of The Companies Act, 2013 from ROC, Delhi NCT & Haryana (ROC) (and its four directors and company secretary also addressed to), in accordance to which, the inquiry officer/ inspector has found out various discrepancies, objections, and prima facie contraventions of the various provisions of the Companies Act 2013 which needs further clarification to take the inquiry to a logical conclusion. In this regard, the ROC has asked for information/ comment/ explanation/documents and as informed by the management, the Company is in process of submitting the desired requirements of the ROC and the management believes that there will be no material financial impact of the above matters on the state of affairs of the Company on final conclusion of the above stated matter by the ROC.



- (viii) In terms of 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-IFC), the Company is in process of Implementation of Internal Guidelines on Corporate Governance and Guidelines on Compensation of Key Managerial Personnel & Senior Management in NBFC, and Compliance policy.

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

#### **Secretarial Auditors Report**

- (ix) The secretarial auditors of the Company in their report dated May 10, 2024, have reported that during the financial year ended March 31, 2024:
- (a) In terms of 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-IFC), as specifically applicable law to the Company, the Company is in the process of appointing CCO.
- (b) As examined compliances with the applicable clauses of the Secretarial Standards, issued by the Institute of Company Secretaries of India, during the period under review, the Company has complied with the provisions other than a couple of instances of delay in the finalisation of minutes of the Board and committee meetings

#### **Management's and Board of Directors' Responsibilities for the Consolidated Financial Results**

These Statement, which includes the Consolidated Financial Results have been prepared on the basis of the consolidated annual financial statements for the year ended March 31, 2024. The Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company including its associates in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations.

The respective Board of Directors of the companies, included in the statement (read with note no. 5 of the accompanying statement), are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results 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 results by the Directors of the Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies, included in statement, are responsible for assessing the ability of the Company and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of



accounting unless the respective Board of Directors either intends to liquidate the respective entities included in the statement or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies, included in the statement, are responsible for overseeing the financial reporting process of the respective entities included in the statement.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.

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 Statement, 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 through a separate report on the complete set of consolidated financial statements on whether the Company (refer note no. 4 of the accompanying Statement) has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 (refer note no. 4 of the accompanying Statement) 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 results 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 results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Company and its associates to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them (refer note no. 4 of the accompanying Statement). We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations as amended, to the extent applicable.

#### **Other Matters**

- (i) The audited consolidated financial information/results of the Company also include Company's share of net profit/loss after tax of Rs. Nil and total comprehensive income/loss of Rs Nil for the quarter ended March 31, 2024 and year ended March 31, 2024, in respect of its 2 associate entities whose financial results are not available with the Company (neither audited nor management accounts for the purpose of the consolidated financial results). However as mentioned in note no. 4 of the accompanying Statement, the Company had fully impaired the value of investments in these associates in the earlier periods and the Company does not have further obligation over and above the cost of investment and therefore, in view of the management, there is no impact on the audited consolidated financial results for the quarter and year ended March 31, 2024.



- (ii) The Statement includes the results for the quarter ended March 31, 2024 and March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023 and the published un-audited year to date figures up to the third quarter of the respective financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

For Lodha & Co LLP  
Chartered Accountants  
Firm's Registration No. 301051E/E300284



(Gaurav Lodha)

Partner

M. No. 507462

UDIN: 24507462BJZYKPT066

Place: New Delhi

Date: 30<sup>th</sup> May 2024







## Statement of Audited Standalone and Consolidated assets and liabilities

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>I Financial assets</b>				
a. Cash and cash equivalents	23,084.00	2,567.29	23,084.00	2,567.29
b. Bank balance other than (a) above	1,27,417.69	56,420.52	1,27,417.69	56,420.52
c. Derivative financial instruments	700.36	1,030.20	700.36	1,030.20
d. Trade receivables	62.36	419.73	62.36	419.73
e. Loans	4,78,195.46	6,84,712.10	4,78,195.46	6,84,712.10
f. Investments	12,204.37	9,125.14	12,204.37	9,125.14
g. Other financial assets	109.45	49.48	109.45	49.48
	<b>6,41,773.69</b>	<b>7,54,324.46</b>	<b>6,41,773.69</b>	<b>7,54,324.46</b>
<b>II Non-financial Assets</b>				
a. Current tax assets (net)	3,124.74	909.41	3,124.74	909.41
b. Deferred tax assets (net)	4,798.49	5,012.92	4,798.49	5,012.92
c. Property, Plant and Equipment	609.65	686.24	609.65	686.24
d. Right of use-Buildings	1,924.72	2,348.32	1,924.72	2,348.32
e. Intangible assets under development	19.61	15.46	19.61	15.46
f. Other Intangible assets	9.35	7.08	9.35	7.08
g. Other non-financial assets	233.80	135.93	233.80	135.93
	<b>10,720.36</b>	<b>9,115.36</b>	<b>10,720.36</b>	<b>9,115.36</b>
<b>TOTAL ASSETS</b>	<b>6,52,494.05</b>	<b>7,63,439.82</b>	<b>6,52,494.05</b>	<b>7,63,439.82</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>I. Financial Liabilities</b>				
a. Trade Payables				
(i) total outstanding dues to micro and small enterprises	5.31	44.98	5.31	44.98
(ii) total outstanding dues of creditors other than micro and small enterprises	206.20	141.35	206.20	141.35
b. Debt Securities	8,115.05	8,117.66	8,115.05	8,117.66
c. Borrowings (other than debt securities)	3,82,379.17	5,01,705.42	3,82,379.17	5,01,705.42
d. Lease liability	2,062.67	2,352.70	2,062.67	2,352.70
e. Other financial liabilities	5,541.38	6,441.06	5,541.38	6,441.06
	<b>3,98,309.78</b>	<b>5,18,803.17</b>	<b>3,98,309.78</b>	<b>5,18,803.17</b>
<b>II. Non-Financial Liabilities</b>				
a. Provisions	207.29	238.60	207.29	238.60
b. Other non-financial liabilities	102.90	123.93	102.90	123.93
	<b>310.19</b>	<b>362.53</b>	<b>310.19</b>	<b>362.53</b>
<b>III. EQUITY</b>				
a. Equity share capital	64,228.33	64,228.33	64,228.33	64,228.33
b. Other equity	1,89,645.75	1,80,045.79	1,89,645.75	1,80,045.79
	<b>2,53,874.08</b>	<b>2,44,274.12</b>	<b>2,53,874.08</b>	<b>2,44,274.12</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>6,52,494.05</b>	<b>7,63,439.82</b>	<b>6,52,494.05</b>	<b>7,63,439.82</b>



## Statement of Audited Standalone and Consolidated cash flows

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Audited	Audited	Audited	Audited
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit after tax	16,074.90	17,580.72	16,074.90	17,580.72
<b>Adjustments for:</b>				
Depreciation and amortisation expenses	648.21	608.09	648.21	608.09
Impairment on financial instruments	8,756.90	8,068.89	8,756.90	8,068.89
(Gain)/ Loss on sale of property, plant and equipment	0.07	(2.80)	0.07	(2.80)
Finance costs	40,999.43	43,191.04	40,999.43	43,191.04
Fees and commission expense	107.87	91.92	107.87	91.92
Net (Gain)/ Loss on fair value changes/ other Ind AS adjustments	(1,123.81)	(576.50)	(1,123.81)	(576.50)
Tax expense (Provision)	5,522.90	5,656.08	5,522.90	5,656.08
<b>Operating profit before working capital changes</b>	<b>70,986.47</b>	<b>74,617.44</b>	<b>70,986.47</b>	<b>74,617.44</b>
<b>Changes in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
Loan financing	1,92,522.02	1,14,271.44	1,92,522.02	1,14,271.44
Other loans	3.53	5.25	3.53	5.25
Other financial assets	(90.50)	9.73	(90.50)	9.73
Other non- financial assets	(97.87)	(44.51)	(97.87)	(44.51)
Trade receivables	558.82	(489.30)	558.82	(489.30)
Adjustments for increase / (decrease) in operating liabilities:				
Other financial liabilities	(93.53)	(728.90)	(93.53)	(728.90)
Provisions	1.51	8.95	1.51	8.95
Trade payables	25.18	10.02	25.18	10.02
Other non- financial liabilities	(21.03)	114.91	(21.03)	114.91
<b>Cash flow from operating activities post working capital changes</b>	<b>2,63,794.60</b>	<b>1,87,775.03</b>	<b>2,63,794.60</b>	<b>1,87,775.03</b>
Income- tax (paid)/refund	(7,496.10)	952.51	(7,496.10)	952.51
<b>Net cash flow from operating activities (A)</b>	<b>2,56,298.50</b>	<b>1,88,727.54</b>	<b>2,56,298.50</b>	<b>1,88,727.54</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Capital expenditure on property, plant and equipment, including capital advances	(57.01)	(35.12)	(57.01)	(35.12)
Proceeds from sale of property, plant and equipment	10.47	14.68	10.47	14.68
Purchase of intangible assets	(8.58)	-	(8.58)	-
Purchase of intangible assets under development	(4.15)	(15.46)	(4.15)	(15.46)
Proceeds from/(Investment in) term deposit	(71,173.10)	176.53	(71,173.10)	176.53
Proceeds from sale/ redemption of investments	2,326.04	25,807.28	2,326.04	25,807.28
<b>Net cash flow from investing activities (B)</b>	<b>(68,906.33)</b>	<b>25,947.91</b>	<b>(68,906.33)</b>	<b>25,947.91</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	81,800.00	51,000.00	81,800.00	51,000.00
Repayment of borrowings	(2,00,800.35)	(2,48,799.32)	(2,00,800.35)	(2,48,799.32)
Repayment of lease liability	(569.80)	(542.70)	(569.80)	(542.70)
Repayment of debt securities	(20.50)	(4,522.94)	(20.50)	(4,522.94)
Finance costs	(40,861.98)	(43,043.41)	(40,861.98)	(43,043.41)
Dividend paid	(6,422.83)	-	(6,422.83)	-
<b>Net cash flow from financing activities (C)</b>	<b>(1,66,875.46)</b>	<b>(2,45,908.37)</b>	<b>(1,66,875.46)</b>	<b>(2,45,908.37)</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>20,516.71</b>	<b>(31,232.92)</b>	<b>20,516.71</b>	<b>(31,232.92)</b>
Cash and cash equivalents at the beginning of the year	2,567.29	33,800.21	2,567.29	33,800.21
<b>Cash and cash equivalents at the end of the year</b>	<b>23,084.00</b>	<b>2,567.29</b>	<b>23,084.00</b>	<b>2,567.29</b>

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.



**NOTES:**

1. The above audited financial results of the Company for the quarter and year ended March 31, 2024 have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on May 30, 2024
2. These financial results have been prepared in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Regulations') as modified by circular no CIR/CFD/FAC/62/2016 dated July 5, 2016 and recognition and measurements principles of the Companies (Indian Accounting Standards) Rule, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other recognised accounting principles generally accepted in India
3. The Company's main business is to provide finance for energy value chain through investment and lending into such projects. All other activities revolve around the main business. The Company does not have any geographic segments. As such, there are no separate reportable segments as per IND AS 108 on operating segments.
4. The Company (PFS) does not have any subsidiary but has two associates viz, R.S. India Wind Energy Private Limited (RSIWEPL) and Varam Bioenergy Private Limited (VBPL). The consolidated financial results have been prepared by the Company in accordance with the requirements of Ind-AS 28 "Investments in Associates and Joint Ventures" prescribed under section 133 of the Companies Act, 2013. The Company had fully impaired the value of its investments in these associates in earlier years, does not have any further obligation over & above the cost of investment and the financial statements/ results of these associates are not available with the management of the Company. Further, VBPL is presently under liquidation. Hence, Company's share of net profit/loss after tax and total comprehensive income/loss of its associates has been considered as Rs Nil in the consolidated financial results.
5. (A) (i) (a) On January 19, 2022, the then three independent directors of the Company had resigned mentioning certain lapses in corporate governance and compliances as stated in respective letters of directors. Accordingly, to address the same, the Company had carried out forensic audit from an Independent CA firm in previous year and had also engaged a professional firm to independently review the issues stated in the forensic audit report with the management's responses submitted (including to assess financial implications and any indication towards suspected fraud) on forensic audit report (FAR). The said FAR with management responses had been presented by the management to the Audit Committee as well as to the Board. The Board observed that forensic auditor did not identify any event having material impact on the financials of the Company and had not identified any instance of fraud and/or diversion of funds by the Company. Further, two independent directors on December 2, 2022 had resigned mentioning certain matters which inter alia include the issues raised by the erstwhile independent directors of the Company as stated above, which have been rebutted fully by the Company and submitted its reply to the Stock Exchanges and Reserve Bank of India in reference to the communication in this regard. During the year, as noted in the meeting of Board of Directors held on December 29, 2023 and in the meeting of Independent Directors held on March 11, 2024, (a) there were corporate governance issues related with conducting few meetings with shorter notice and delay in signing and finalization of the few minutes of Audit Committee and Board Meeting, and (b) quality, quantity and timeliness of flow of information between the Company and to the Board members was ineffective and inadequate to perform duties, and needs improvement for compliances of directions of the Board and various sub-committees respectively. The Board in its meeting dated May 20, 2024 took note of the action taken by the management for further improvement.

(b) As directed by the RBI (letter dated June 16, 2023), the Board of the Company in its meeting held on June 20, 2023, have resolved that till the appointment of new MD&CEO in place of Dr. Pawan Singh (who has been advised to proceed on leave with immediate effect till his superannuation) is made, newly appointed Director (Finance) & CFO to take over the functions and responsibilities of the MD&CEO, with immediate effect. Dr. Pawan Singh as MD&CEO had completed his term with the close of business hours on October 2, 2023. The Company is in the process of appointing MD & CEO.

(ii) The Board of Directors has identified some gaps in internal controls, which needs improvement. The company is in process of further strengthening its internal control system wherever gaps were identified w.r.t. system driven interest/ penal interest charging as per approved rates, timely creation of security on the loans given to borrowers, timely invoking of corporate guarantee provided by the borrowers, updation of SOPs, etc.

(iii) In the last quarter of year 2022-23, the Company and its KMPs had received four show cause notices (SCNs) issued by the Registrar of Companies, NCT of Delhi & Haryana (ROC) for non-compliances of the provisions of section 149(8), 177(4)(v) & (vi) and 178 of the Companies Act, 2013 and the Company submitted its replies on March 14 & 17, 2023 and April 24, 2023 denying the non-compliances mentioned in the above stated SCNs. Subsequently, ROC vide its three Adjudication Orders dated June 27, 2023, imposed penalty(s) of Rs 6.40 lakhs on the Company against which Company filed appeals with the Regional Director, Ministry of Corporate Affairs and later on rejoinder was filed on December 28, 2023 and for remaining SCN, the Company filed application for compounding, which are pending. The management believes that there will be no material financial impact of the above matters on the state of affairs of the Company.

(B) (i) Securities and Exchange Board of India (SEBI) through Show Cause Notice (SCN) dated May 08, 2023 to then Managing Director and Chief Executive Officer (MD & CEO) and Non Executive Chairman (NEC) of the Company, pointed out certain matters of Corporate Governance issues, as raised by the then Independent Directors (as detailed in 5(A)(i)(a) 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 (AC) and the Board of Directors (BOD) noted and took on record in respective meetings held on May 18, 2023 that the above stated SCNs which were issued by SEBI to the then MD & CEO and NEC are in their individual name/capacity (addressed to) and there will be no financial implications/ impact due to these SCNs on the state of affairs of the Company.

In line with Articles of Association, the BOD in its meeting held on May 18, 2023 decided to indemnify the Directors/ KMPs of the Company against any and all liability (including financial liability) which may be imposed upon them on account of statutory/ regulatory action initiated for conduct and actions of such Directors/ KMPs during the course of their discharge of their roles and responsibilities, in the service of the company. During the year, Company had incurred expenses towards legal help provided to;

(a) to then MD&CEO for bills including bills of lawyers/advisors' fees amounting to Rs. 38.76 lakhs including GST incurred in respect to advisory taken by the then MD & CEO in the matter of SCNs issued by SEBI/ RBI

(b) to NEC for bills including bills of lawyers/advisors' fees amounting to Rs 10.94 lakhs including GST incurred in respect to advisory taken by the NEC in the matter of SCN issued by SEBI

In the month of December 2023, management put up a proposal to Board for providing legal help and also authorizing MD&CEO to providing legal help to said officials upto an expenditure of Rs 25 lakhs per annum for aggrieved Directors. While discussing the issue, Board desired to take a legal opinion from a law firm whether the legal expenditure on such cases can be paid particularly when the concerned officials have stated that such notices have been received by them in their individual capacity. Board vide its meeting dated May 18 2023 had allowed the legal help to concerned officials during discharge of their role and responsibility in service of the company. The legal counsel opined that in terms of Articles of Association such payment/ reimbursement can be released once charges are negated. Accordingly, it was informed by the management to the Board that such amount is to be treated as recoverable from the concerned officials. The Board took note of the management submissions. Accordingly, an amount of Rs 38.76 lakhs and Rs 10.94 lakhs have been shown as recoverable from respective concerned officials as on March 31, 2024. Subsequent to year end, NEC has refunded the entire amount of Rs. 10.94 lakhs pertaining to his account.



- (ii) During the year, the Company paid Rs 4.40 lakhs to three independent directors (IDs) being a part of selection committee for conducting the interview of short listed candidates for senior level of the company. Subsequent to the year end, the company realized that so stated 'Honorarium' cannot be paid to IDs without complying the provision of law. Hence, the amount so paid has been reversed and shown as recoverable from IDs as on March 31, 2024. When the issue was brought to the notice of IDs, the amount so paid was refunded back immediately by IDs. As per the opinion obtained by the Company, the IDs refunded the amount within the timeline defined under section 197(9) of the Companies Act. Based on the opinion of the expert, provisions of the section 197(9) has been complied with and Company agrees with the views given by the expert.
6. Pursuant to joining of Director Finance & CFO, from June 14, 2023 to October 2, 2023, the company was having 7 Directors out of which 3 Directors were Independent Directors. As per the provisions of Regulation 17(1)(b) of SEBI LODR, the company should have half of its directors as Independent Directors. Subsequently, on then MD&CEO going on leave till superannuation as per RBI directives w.e.f. June 20, 2023, the functional Board was comprising 6 Directors. Also, the RBI vide its email dated June 28, 2023, had clarified that under no circumstances then MD & CEO shall visit the office or be involved in any operations related to the company, from the date of issue of its letter and then MD & CEO completed his term on October 2, 2023. Regarding the above composition, the same was mentioned in the quarterly Corporate Governance Report submitted to Stock Exchanges. The NSE Ltd took note of the same as satisfactory vide its email dated August 03 2023.
7. As at March 31, 2024, 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 III, 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.
8. As on March 31, 2024, 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 at least 12 months from the reporting date.
9. Other expenses for the year ended March 31, 2024 includes ₹ 1,524.89 lakhs (₹ 1,524.89 lakhs for the nine months period ended December 31, 2023) on account of derecognition of financial instrument.
10. The Company had received a communication from Registrar of Companies (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 up to FY 2018-19. The Company has submitted the reply, with requisite information/documents, in response to the letter on October 22, 2021.
- Further, in respect of the above stated matter, subsequent to the year ended March 31, 2024, the Company has received Order dated May 10, 2024 under Section 206(4) of The Companies Act, 2013 from ROC, Delhi NCT & Haryana (ROC) and its four directors and company secretary were addressed to. As per the Order, based on Company's replies submitted on October 22, 2021 and along with various other information, which is available with their office, the inquiry officer/ inspector has found out various discrepancies, objections, and prima facie contraventions of the various provisions of the Companies Act 2013, in reference to which the ROC has asked for information/ comment/ explanation/documents to take the inquiry to a logical conclusion. The Company is in process of submitting the desired requirements of the ROC and the management believes that there will be no material financial impact of the above matters on the state of affairs of the Company on final conclusion of the above stated matter by the ROC.
11. 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 quarter / year ended March 31, 2024
Details of loans not in default that are transferred or acquired	
Details of Stressed loans transferred or acquired	

12. As per Regulation 54(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), all secured non-convertible debentures ("NCDs") issued by the Company are secured by way of an exclusive charge on identified receivables to the extent of at least 100% of outstanding secured NCDs and pursuant to the terms of respective information memorandum.
13. Information as required by Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is attached as Annexure 1.
14. Previous period's/year's figures have been regrouped / reclassified wherever necessary to correspond with the current quarter/period's classification / disclosure. The Statement includes the results for the quarter ended 31st March, 2024 and 31st March 2023 being the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2024 and 31st March 2023 and the published un-audited year to date figures up to the third quarter of the respective financial year.

For and on behalf of the Board of Directors



Mahendra Lodha  
Director Finance and CFO

Place: New Delhi  
May 30, 2024



**PTC INDIA FINANCIAL SERVICES LIMITED**

**Additional information of financial results required pursuant to Regulations 52 (4)**

**Annexure 1**

S. No.	Particulars	Ratio
A	Debt-equity ratio <sup>1</sup>	1.54
B	Debt service coverage ratio <sup>2</sup>	Not Applicable
C	Interest service coverage ratio <sup>2</sup>	Not Applicable
D	Debenture redemption reserve <sup>3</sup>	Nil
E	Net worth (₹ in lakhs) <sup>4</sup>	2,53,874.08
F	Net profit after tax (₹ in lakhs)	
	(i) For the quarter ended	1,384.95
	(ii) For the year ended	16,074.90
G	Earnings per share (in ₹)	
	(i) Basic : For the quarter ended	0.22
	(ii) Basic : For the year ended	2.50
	(iii) Diluted: For the quarter ended	0.22
	(iv) Diluted: For the year ended	2.50
H	Current ratio <sup>7</sup>	Not Applicable
I	Long term debt to working capital <sup>7</sup>	Not Applicable
J	Bad debts to account receivable ratio <sup>7</sup>	Not Applicable
K	Current liability ratio <sup>7</sup>	Not Applicable
L	Total debts to total assets <sup>5</sup>	59.85%
M	Debtors turnover <sup>7</sup>	Not Applicable
N	Inventory turnover <sup>7</sup>	Not Applicable
O	Operating margin (%) <sup>11</sup>	
	(i) For the quarter ended	10.66%
	(ii) For the year ended	26.35%
P	Net profit margin (%) <sup>6</sup>	
	(i) For the quarter ended	7.83%
	(ii) For the year ended	20.71%
Q	Sector specific equivalent ratios, as applicable	
	(i) Capital adequacy ratio <sup>8</sup>	43.07%
	(ii) Gross stage 3 ratio <sup>9</sup>	12.82%
	(iii) Net stage 3 ratio <sup>10</sup>	6.07%

**Notes -**

1	Debt - equity ratio = [Debt securities + Borrowings (other than debt securities) + Subordinated liabilities] / Networth.
2	Debt service coverage ratio and interest service coverage ratio is not applicable to Banks or NBFC / Housing Finance Companies registered with RBI as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3	Capital redemption Reserve / Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
4	Net worth = Equity share capital + Other equity
5	Total debts to total assets = [Debt securities + Borrowings (other than debt securities) + Subordinated liabilities] / Total Assets
6	Net profit margin = Net profit after tax / total income
7	The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are generally not applicable.
8	Capital to risk-weighted assets is calculated as per the RBI guidelines.
9	Gross stage 3 ratio* = Gross stage 3 loans exposure at Default (EAD) / Gross total loans EAD
10	Net Stage 3 ratio* = (Gross stage 3 loans EAD - Impairment loss allowance for Stage 3) / (Gross total loans EAD - Impairment loss allowance for Stage 3)
11	Operating margin = (Profit before tax - Other income) / Total revenue from operations
	* Refer note 13 of financial result.



**ANNEXURE-I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-  
with Annual Audited Financial Results – (Standalone)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024  
(See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016)**

(Amount in Rs. Lakhs)

I.	S.No.	Particulars	Audited Figures for the year ended March 31, 2024 (as reported before adjusting for qualifications)	Adjusted Figures for the year ended March 31, 2024 (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	77,628.00	77,628.00
	2.	Total Expenditure	56,030.20	56,030.20
	3.	Exceptional and Extraordinary items (Net)	-	-
	4.	Net Profit/(Loss) (1-2-3) before tax	21,597.80	21,597.80
	5.	Earnings Per Share (after Extraordinary items) (Rs.)	2.50	2.50
	6.	Total Assets	6,52,494.05	6,52,494.05
	7.	Total Liabilities	3,98,619.97	3,98,619.97
	8.	Net Worth	2,53,874.08	2,53,874.08
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-

The qualified opinion of the statutory auditor and management reply thereto was as under: -

Auditors' Qualification	
a)	<b>Details of Audit Qualification:</b> Please refer to the accompanying Independent Auditor's Report on Standalone (UDIN: 24507462BJZTR03444 - ) Results dated May 30, 2024
b)	<b>Type of Audit Qualification:</b> Qualified Opinion
c)	<b>Frequency of qualification:</b> First Time
d)	<b>For Audit Qualification(s) where the impact is quantified by the Auditor, Management's View:</b> Not Applicable
e)	<b>For Audit Qualification(s) where the impact is not quantified by the Auditor:</b> (i) <b>Management's estimation on the impact of audit qualification:</b> Not quantifiable, see note below. (ii) <b>If Management is unable to estimate the impact, reasons for the same:</b>



Auditors' Qualification		
Sl No	Auditor's Qualification	Management Response
1	Refer Note 5 (A)(i)(a)	Impact on financial statement is not quantifiable
2	Refer Note 5 (A)(ii)	Impact on financial statement is not quantifiable
3	Refer Note 5 (B)(i)(a)	Impact on financial statement is not quantifiable
<p>(iii) Auditor's Comments on (i) and (ii) above: Please refer 'Basis for qualified opinion' included in the accompanying Independent Auditor's Report on Standalone (UDIN: 24507462BJZ7RO3444 ) Results dated : May 30, 2024</p>		

Signatories	
<ul style="list-style-type: none"> <li>Chairman and Non-Executive Director- Rajib Kumar Mishra</li> </ul>	
<ul style="list-style-type: none"> <li>(Chairman-Audit Committee)</li> </ul>	
<ul style="list-style-type: none"> <li>Director Finance and CFO - Mahendra Lodha</li> </ul>	
<ul style="list-style-type: none"> <li>Statutory Auditor- Gaurav lodha, Partner For LODHA &amp; CO LLP, Chartered Accountants, M.No 507462 FRN: 301051E/E300284</li> </ul>	 
Place: Delhi	
Date : May 30, 2024	





**ANNEXURE-I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Consolidated)**

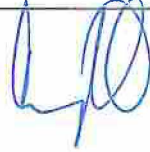




<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024</b> <b>(See Regulation 33/52 of the SEBI (LODR)(Amendment) Regulations, 2016)</b>				
<b>(Amount in Rs. Lakhs)</b>				
I.	S.No.	Particulars	Audited Figures for the year ended March 31, 2024 (as reported before adjusting for qualifications)	Adjusted Figures for the year ended March 31, 2024 (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	77,628.00	77,628.00
	2.	Total Expenditure	56,030.20	56,030.20
	3.	Exceptional and Extraordinary items (Net)	-	-
	4.	Net Profit/(Loss) (1-2-3) before tax	21,597.80	21,597.80
	5.	Earnings Per Share (after Extraordinary items) (Rs.)	2.50	2.50
	6.	Total Assets	6,52,494.05	6,52,494.05
	7.	Total Liabilities	3,98,619.97	3,98,619.97
	8.	Net Worth	2,53,874.08	2,53,874.08
	9.	Any other financial item(s) (as felt appropriate by the management)	-	-

The qualified opinion of the statutory auditor and management reply thereto was as under: -

<b>Auditors' Qualification</b>	
a)	<b>Details of Audit Qualification:</b> Please refer to the accompanying Independent Auditor's Report on Consolidated (UDIN: 24507462BJZYRP7066 - ) Results dated May 30, 2024
b)	<b>Type of Audit Qualification:</b> Qualified Opinion
c)	<b>Frequency of qualification:</b> First Time
d)	<b>For Audit Qualification(s) where the impact is quantified by the Auditor, Management's View:</b> Not Applicable
e)	<b>For Audit Qualification(s) where the impact is not quantified by the Auditor:</b>



Auditors' Qualification		
(i) Management's estimation on the impact of audit qualification: Not quantifiable, see note below.		
(ii) If Management is unable to estimate the impact, reasons for the same:		
Sl No	Auditor's Qualification	Management Response
1	Refer Note 5 (A)(i)(a)	Impact on financial statement is not quantifiable
2	Refer Note 5 (A)(ii)	Impact on financial statement is not quantifiable
3	Refer Note 5 (B)(i)(a)	Impact on financial statement is not quantifiable
(iii) Auditor's Comments on (i) and (ii) above: Please refer 'Basis for qualified opinion' included in the accompanying Independent Auditor's Report on Consolidated (UDIN: 24507462BJZ7RP7866) Results dated : May 30, 2024		

Signatories	
<ul style="list-style-type: none"> <li>Chairman and Non-Executive Director- Rajib Kumar Mishra</li> </ul>	
<ul style="list-style-type: none"> <li>(Chairman-Audit Committee)</li> </ul>	
<ul style="list-style-type: none"> <li>Director Finance and CFO - Mahendra Lodha</li> </ul>	
<ul style="list-style-type: none"> <li>Statutory Auditor- Gaurav lodha, Partner For LODHA &amp; CO LLP. Chartered Accountants M.No. 507462 FRN: 301051E/E 300284</li> </ul>	 
Place: Delhi	
Date : May 30, 2024	



To

The Board of Directors

PTC India Financial Services Limited

7<sup>th</sup> Floor Telephone Exchange Building,

8 Bhikaji Cama Place,

New Delhi 110066

**Sub: Independent Auditor's Certification on Security coverage and financial covenants pursuant to Regulation 54 read with regulation 56(1)(d) of the Security and Exchange Board of India ('SEBI') Listing Obligations and Disclosure Requirements ('LODR') Regulations, 2015 (as amended) in respect of Non-Convertible Debentures, Non-Convertible Non-Cumulative Bonds in the nature of Debentures, Long-Term Infrastructure Non-Convertible Bonds issued by PTC India Financial Services Limited, as at 31st March 2024".**

1. We, Lodha & Co. LLP, Chartered Accountants, Statutory auditors of PTC India Financial Services Limited (CIN: L65999DL2006PLC153373) ('the Company') having registered office at 7<sup>th</sup> Floor Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi -110066 have issued this certificate in accordance with the terms of our engagement letter dated 14<sup>th</sup> May,2024 with the Company.
2. The management of the Company has prepared and compiled the accompanying Statement -1 (hereinafter referred to as 'Statement') on calculation of security coverage ratio and financial covenants as per the audited books of account and other relevant records and documents maintained by the Company as at 31<sup>st</sup> March,2024 ("the audited books of account") and the terms of Debenture Trust Deeds (as stated below). We have been requested by the management of the Company to examine and issue a certificate with respect to the details of book value of assets, security coverage and maintenance and compliance of the financial covenants on the basis of audited books of account and other relevant records and documents maintained by the Company as at 31<sup>st</sup> March,2024 and as per the terms of Debenture Trust Deeds (hereinafter referred as "the Deeds") between the Company and IDBI Trusteeship Services Limited ("Debenture Trustee"), dated June 19, 2012 and May 20, 2015 (as amended) respectively, in respect of the Non-Convertible Non-Cumulative Bonds in the nature of Debentures ('NCD'), Long-Term Infrastructure Non-Convertible Bonds ('NCB') (together herein after referred to as 'debt securities') issued in compliance with the Regulation 54 read with regulation 56(1)(d) of the Security and Exchange Board of India ('SEBI') Listing Obligations and Disclosure Requirements ('LODR') Regulations, 2015 (as amended) and SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67, dated 19 May 2022 (herein after cumulatively referred as "the Regulations"). We have initialled the accompanying Statements for the purpose of identification purposes only. The accompanying statements contains details of book value of assets, security cover as at 31<sup>st</sup> March,2024 in respect of below stated debt securities: -



(Rs in lakhs)					
S.No.	ISIN	Facility	Series	Amount Sanctioned	Amount Outstanding (Including accrued interest) As on 31-03-2024
1.	INE560K07128	2,135 nos. of Redeemable, Secured, Non-Convertible, Non-Cumulative Bonds in the nature of Debenture ("Bonds") having face value of Rs. 10 Lakh each	NCD Series 4	21,350.00	7,474.67
2.	INE560K07102	17,581 nos. of Redeemable, Secured, Long-Term	Infra Bond Series 2-Option III	1,102.70	2,126.26
3.	INE560K07110	Infrastructure Non-Convertible Bonds of Series 2 of Rs. 5000 each (Rupees Five Thousand only) with a green-shoe option	Infra Bond Series 2-Option IV		

#### Managements' Responsibility for the Statement

3. The preparation of the accompanying Statement is the responsibility of the management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating and validating data and presentation thereof. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for providing all the relevant information to the Debenture Trustees, and for complying with the provisions of SEBI Regulations and as prescribed in the Debenture Trust Deeds, as amended for maintenance of Security Coverage ratio including, amongst others, maintenance, and compliance of financial covenants as well as other non-financial covenants as per the respective Debenture Trust Deeds, in respect of the debt securities.
5. The Management is also responsible for preparing and furnishing the financial information contained in the said statement which are annexed to this Certificate.



### Auditor's Responsibility

6. Pursuant to the requirements of the Regulations as stated above in para 2 above, our responsibility for the purpose of this certificate is to provide a reasonable assurance on whether the book value of assets of the Company that forms part of calculation of security coverage ratio contained in the Statement have been accurately extracted from the audited books of accounts of the Company and other relevant records and documents maintained by the Company as at 31<sup>st</sup> March,2024, and whether the Company has complied with financial covenants of the debt securities. This did not include the evaluation of adherence by the Company with terms of the Deeds and the SEBI Regulations.
7. The financial statements as of and for the year ended March 31, 2024, have been audited by us, on which we issued a modified audit opinion vide our report dated May 30, 2024. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and on the Statement as mentioned in paragraph 2 above. The procedures selected depend on the auditor's judgement, including the assessment of the risk associated with reporting criteria.

Accordingly, we have performed the following procedures in relation to the Statement:

- a) Obtained and read the Statement Compiled by the Management from the audited books of account for the period ended 31<sup>st</sup> March,2024.
- b) Verified that the information contained in the Statement have been accurately extracted and ascertained from the audited books of accounts of the Company as at and for the period ended 31<sup>st</sup> March,2024 and other relevant records and documents maintained by the Company, in the normal course of its business;
- c) Verified and examined the arithmetical and clerical accuracy of the information included in the Statement.
- d) Reviewed the terms of supplemental Unattested memorandum of hypothecation Agreement dated 12<sup>th</sup> November, 2022 and 9<sup>th</sup> May, 2023 w.r.t modification of the security of NCD Series 4 (ISIN: INE560K07128) to understand the nature of charge (viz. exclusive charge) on assets of the Company, as stated in the Statement.
- e) Reviewed IDBI Trusteeship Services Limited letter dated April 4, 2022 w.r.t modification of security of Infra Series 2 Op III & IV (ISIN: INE560K07102 & INE560K07110) and supplemental Unattested memorandum of hypothecation Agreement dated 30<sup>th</sup> October, 2023
- f) Reviewed mail communication dated 31<sup>st</sup> March 2023 and 2<sup>nd</sup> May 2023 w.r.t modification of security of Non-Convertible Non-Cumulative Bonds in the nature of Debentures (Series-4) (ISIN: INE560K07128).
- g) Obtained Register of Charges kept by the Company as per the requirements of the Companies Act, 2013 to understand the composition of charges already created on assets of the company and the Form CHG-1 & CHG-9 filed by the Company with the Registrar of Companies ('ROC').
- h) Made necessary inquiries with the management and obtained necessary representations in respect of matters relating to the Statement.
- i) Read the terms relating to financial covenants of the debentures and recomputed the financial covenants in relation to NCD Series 4 (ISIN: INE560K07128). Further, Financial covenants are not specified for Infra Series 2 Op III & IV (ISIN: INE560K07102 & INE560K07110) in the respective deeds with IDBI Trusteeship Services Limited. With respect to other non-financial Covenants, the management has represented and confirmed that the Company has complied with all the other covenants (including affirmative, informative and negative covenants) as prescribed in the Deeds as at 31<sup>st</sup> March,2024. We have relied on the same and have not performed any independent procedure in this regard.



- j) Obtained from the management, a list of applicable covenants extracted from the deeds. Management has confirmed the covenants are extracted from the Deeds for all listed debt securities outstanding at 31<sup>st</sup> March,2024. Against each of the applicable covenants, obtained the status of compliance with such covenants as at 31<sup>st</sup> March,2024 from management.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India. 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.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

10. Based on the procedures performed as referred to in paragraph 6 & 7 above and according to the information and explanation provided to us by the management of the company, we are of the opinion that the Security Coverage Ratio in respect of NCD and NCB, calculated based on book value of the assets of the Company contained in the Statement is more than 1.10 times of the outstanding NCDs and 1.00 times of the outstanding NCB respectively as ascertained from the audited books of accounts of the Company as at 31<sup>st</sup> March,2024 and that the financial covenants of the NCD are in compliance with the respective Deeds. Further, we have relied on the management representation with respect to other non-financial covenants for the NCD and NCB, as stated in para 7(i) above.

ISIN	Facility	Cover Required (Ratio in times)	Security Required (Rs in lakhs)	Available Exclusive Security Cover Ratio (in times) as on 31.03.2024
INE560K07102	Infra Bond Series 2 Op III	1.00	2,126.26	1.78
INE560K07110	Infra Bond Series 2 Op IV			
INE560K07128	NCD Series 4	1.10	7,474.67	1.13

11. Our work was performed solely to assist you in meeting your requirements to comply the requirements as mentioned in paragraph 2 above. Our obligations in respect of this certificate are entirely separate from and our responsibility and liability are in no way changed by any other role we may have (or may have had) as the statutory auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.



**Restriction on Use**

12. This certificate is addressed and provided to the Board of Directors of the Company solely for the purpose of onward submission with the Debenture Trustee (IDBI Trusteeship Services Limited) and Stock Exchange(s). It should not be used by any other person or for any other purpose. This certificate relates only to the Statement specified above and does not extend to any financial or other information of the Company. 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. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Lodha & Co LLP,  
Chartered Accountants  
Firm's Registration No. 301051E/E300284

(Gaurav Lodha)  
Partner



Membership No.: 507462

UDIN: 24507462BJZ YRS 5525

Place: New Delhi

Date: 30<sup>th</sup> May 2024

PTC INDIA FINANCIAL SERVICES LIMITED

For the year ended March 31, 2024

(A) Security Cover Disclosure as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

Annexure I (a)

Amount in Rupees Lakhs

Column A Particulars	Column B Description of asset for which this certificate relate	Column C Exclusive Charge Debt for which this certificate being issued#	Column D Exclusive Charge Other Secured Debt	Column E Pari-Passu charge Debt for which this certificate being issued	Column F Pari-Passu charge Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with paripassu charge)	Column G Pari-Passu charge Other assets on which there is pari-Passu charge (excluding items covered in column F)	Column H Assets not offered as Security	Column I Elimination on (amount in negative) debt amount considered more than once (due to exclusive plus paripassu charge)	Column J (Total C to H)	Column K Market Value for Assets charged on Exclusive basis	Column L Related to only those items covered by this certificate Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR market value is not applicable)	Column M Market Value for Pari passu charge Assets viii	Column N Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR market value is not applicable)	Column O Total Value(=K+L+M+N)
		Book Value	Book Value	Yes /No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment							609.65		609.65					-
Capital Work-in-Progress							-		-					-
Right of Use Assets							1,924.72		1,924.72					-
Goodwill							-		-					-
Intangible Assets							9.35		9.35					-
Intangible Assets under Development							19.61		19.61					-
Investments							12,204.37		12,204.37					-
Loans (book Debt)	Loans (book Debt)	3,781.36	14,283.07			4,60,131.03	-		4,78,195.46		3,781.36			3,781.36
Inventories							-		-					-
Trade Receivables							62.36		62.36					-
Cash and Cash Equivalents							23,084.00		23,084.00					-
Bank Balances other than Cash and Cash Equivalents							1,27,417.69		1,27,417.69					-
Others							8,966.84		8,966.84					-
<b>Total</b>		-	<b>3,781.36</b>	<b>14,283.07</b>	-	<b>4,60,131.03</b>	<b>1,74,298.59</b>	-	<b>6,52,494.05</b>	-	<b>3,781.36</b>	-	-	<b>3,781.36</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Including accrued interest)		2,126.26	7,474.67	-	-	-	-	-	9,600.93					-
Other debt sharing pari-passu charge with above debt									-					-
Other Debt									-					-
Subordinated debt									-					-
Borrowings									-					-
Bank						3,78,738.30	-		3,78,738.30					-
Debt Securities									-					-
Others			3,700.32						3,700.32					-
Trade Payables							211.51		211.51					-
Lease Liabilities							2,062.67		2,062.67					-
Provisions							207.29		207.29					-
Others							4,098.95		4,098.95					-
<b>Total</b>		<b>2,126.26</b>	<b>11,174.99</b>	-	-	<b>3,78,738.30</b>	<b>6,580.42</b>	-	<b>3,98,619.97</b>	-	-	-	-	-
Cover on Book Value		1.78												
Cover on Market Value														
		Exclusive Security Cover Ratio				Pari-Passu Security cover ratio								

(B) Compliance of the all the covenants of the trust deeds of the Non-Convertible Non-Cumulative Bonds in the nature of Debentures, Long-Term Infrastructure Non-Convertible Bonds

Financial covenants are not specified in the Trust Deed with IDBI Trusteeship Services Limited. We further certify that we have ensured compliance in respect of all other non-financial covenants of the trust Deeds of the Long-Term Infrastructure Non-Convertible Bonds.

# Infrabond Series 2 Option III and IV (ISIN-INE560K07102 and ISIN-INE560K07110)





PTC INDIA FINANCIAL SERVICES LIMITED

For the year ended March 31, 2024

(A) Security Cover Disclosure as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

Annexure 1 (b)

Amount in Rupees Lakhs

Column A Particulars	Column B Description of asset for which this certificate relate	Column C Exclusive Charge	Column D Exclusive Charge	Column E Pari-Passu charge	Column F Pari-Passu charge	Column G Pari-Passu charge	Column H Assets not offered as Security	Column I Elimination on (amount in negative)	Column J (Total C to I)	Column K	Column L	Column M	Column N	Column O
		Debt for which this certificate being issued#	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRM market value is not applicable)	Market Value for Pari passu charge Assets viii	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRM market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes /No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment		-	-	-	-	-	609.65	-	609.65	-	-	-	-	-
Capital Work-in-Progress		-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	1,924.72	-	1,924.72	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	9.35	-	9.35	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	19.61	-	19.61	-	-	-	-	-
Investments		-	-	-	-	-	12,204.37	-	12,204.37	-	-	-	-	-
Loans (book Debt)	Loans (book Debt)	8,417.70	9,646.74	-	-	4,60,131.03	-	-	4,78,195.46	-	8,417.70	-	-	8,417.70
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	62.36	-	62.36	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	-	-	23,084.00	-	23,084.00	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	1,27,417.69	-	1,27,417.69	-	-	-	-	-
Others		-	-	-	-	-	8,966.84	-	8,966.84	-	-	-	-	-
<b>Total</b>		<b>8,417.70</b>	<b>9,646.74</b>			<b>4,60,131.03</b>	<b>1,74,298.59</b>		<b>6,52,494.05</b>		<b>8,417.70</b>			<b>8,417.70</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Including interest accrued)		7,474.67	2,126.26	-	-	-	-	-	9,600.93	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings		-	-	-	-	-	-	-	-	-	-	-	-	-
Bank		-	-	-	-	3,78,738.30	-	-	3,78,738.30	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-
Others		-	3,700.32	-	-	-	-	-	3,700.32	-	-	-	-	-
Trade Payables		-	-	-	-	-	211.51	-	211.51	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	2,062.67	-	2,062.67	-	-	-	-	-
Provisions		-	-	-	-	-	207.29	-	207.29	-	-	-	-	-
Others		-	-	-	-	-	4,098.95	-	4,098.95	-	-	-	-	-
<b>Total</b>		<b>7,474.67</b>	<b>5,826.58</b>			<b>3,78,738.30</b>	<b>6,580.42</b>		<b>3,98,619.97</b>					
Cover on Book Value		1.13												
Cover on Market Value														
		Exclusive Security Cover Ratio				Pari-Passu Security cover ratio								

(B) Compliance of all the covenants of the trust deeds of the Non-Convertible Non-Cumulative Bonds in the nature of Debentures, Long-Term Infrastructure Non-Convertible Bonds

We confirm the Company has complied with the financial covenants mentioned in the disclosure documents of the secured redeemable non-convertible debentures for the period ended December 31, 2023. We further certify that we have ensured compliance in respect of all other non-financial covenants of the trust Deeds of the Non-Convertible Non-Cumulative Bonds in the nature of Debentures.

# NCD Series 4 (ISIN-INE560K07128)

