

Update on PTC India Financial Services Limited (PFSL)'s investment in RS India Wind Energy Private Limited

PFSL, which started its operations in March 2007, made an equity investment of Rs. 53.94 Core in RS India Wind Energy Pvt Ltd. (RSIWEPL) in 2007-08 for setting up a 99.45 MW Wind Power Project in Karad, Satara district, Maharashtra at the time when it was looking for making investments especially in the upcoming renewable energy sector. PFSL made further downward investment of Rs. 7.18 Crore for Group Company of RSIWEPL for setting up wind turbine manufacturing facility.

The project was expected to be commissioned by July, 2008, however, until date only 41.25 MW has been commissioned. As the balance project is delayed in commissioning, following prudent accounting practice, PFSL has made provision of Rs.31.39 Crores in the financial results of Q2 FY-15. Subsequently, it has come to our notice that RSIWEPL had misrepresented various facts based on which Company believes that it was induced to make said investment. Based on the recent findings as stated above, a criminal complaint has been filed against RSIWEPL and its promoters. PFSL is also taking suitable steps including under civil and criminal Law to safeguard its investments and to recover the same.