

**POWERLINKS TRANSMISSION LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POWERLINKS TRANSMISSION LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **POWERLINKS TRANSMISSION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such



controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



**Deloitte  
Haskins & Sells**

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)



**Alka Chadha**  
(Partner)  
(Membership No. 93474)

**Gurgaon, 6 May, 2015**

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The fixed assets were physically verified during the previous year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. In respect of its inventories:
  - a. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. The Company's operations did not give rise to sale of goods during the current year and during the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that *prima facie* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



vii. According to the information and explanations given to us in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Company's operations do not give rise to Wealth Tax and Excise Duty.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March, 2015 for a period of more than six months from the date they became payable. We are informed that the Company's operations do not give rise to Wealth Tax and Excise Duty.

c. Details of dues of Sales Tax which have not been deposited as on 31 March, 2015 on account of disputes are given below:

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount involved (Rs. in lacs)</b>
The Central Sales Tax Act, 1956	Disputed demands raised by sales tax authorities	High Court Lucknow	2004-05 to 2007-08	3,321.99
The Central Sales Tax Act, 1956	Disputed demands raised by sales tax authorities	Additional Commissioner (Appeals) Lucknow	2008-09 to 2010-11	173.39

We are informed that there are no dues in respect of Income-tax, Service Tax, Customs Duty, Value Added Tax and Cess which have not been deposited on account of any disputes. We are informed that the Company's operations do not give rise to Wealth Tax and Excise Duty.

d. There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

viii. The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.

x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.



## **Deloitte Haskins & Sells**

- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)



*Alka Chadha*

**Alka Chadha**  
Partner  
(Membership No. 93474)

**GURGAON, 6 May, 2015**

**POWERLINKS TRANSMISSION LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2015**

	<u>Note No.</u>	<u>As at 31.03.2015 (Rs. / Lacs)</u>	<u>As at 31.03.2014 (Rs. / Lacs)</u>
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUND</b>			
a. Share capital	3	46,800.00	46,800.00
b. Reserves and surplus	4	6,599.71	6,343.26
		<u>53,399.71</u>	<u>53,143.26</u>
<b>2. NON-CURRENT LIABILITIES</b>			
a. Long term borrowings	5	26,840.11	35,940.11
b. Deferred tax liabilities (net)	6	-	-
c. Advance against depreciation		9,873.21	9,873.21
d. Other long term liabilities	7	4,837.73	3,347.57
e. Long term provisions	8	116.82	100.78
		<u>41,667.87</u>	<u>49,261.67</u>
<b>3. CURRENT LIABILITIES</b>			
a. Trade payables	9	311.08	220.23
b. Other current liabilities	10	4,107.48	3,187.89
c. Current maturities of long-term debt	11	9,100.00	9,100.00
d. Short term provisions	12	1,440.81	1,252.38
		<u>14,959.37</u>	<u>13,760.50</u>
		<u><b>1,10,026.95</b></u>	<u><b>1,16,165.43</b></u>
<b>B. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Fixed assets			
i. Tangible fixed assets	13A	85,389.73	93,382.94
ii. Intangible fixed assets	13B	115.38	6.86
iii. Capital work-in-progress (CWIP)		18.17	-
		<u>85,523.28</u>	<u>93,389.80</u>
b. Long term loans and advances	14	8,269.35	6,534.20
		<u>93,792.63</u>	<u>99,924.00</u>
<b>2. CURRENT ASSETS</b>			
a. Current investments	15	2,651.00	5,611.00
b. Inventories	16	191.32	197.27
c. Trade receivables	17	2,487.73	2,081.88
d. Cash and cash equivalents	18	8,204.92	5,730.55
e. Short term loans and advances	19	140.29	239.10
f. Other current assets	20	2,559.06	2,381.63
		<u>16,234.32</u>	<u>16,241.43</u>
		<u><b>1,10,026.95</b></u>	<u><b>1,16,165.43</b></u>

See accompanying notes forming part of the financial statements

1-36

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

*Alka Chadha*  
**Alka Chadha**  
Partner



Place: **GURGAON**  
Date: **6 May, 2015**

For and on behalf of the Board of Directors

*R. N. Nayak*  
**R. N. Nayak**  
Chairman

*Suranjit Mishra*  
**Suranjit Mishra**  
Chief Financial Officer

Place: **GURGAON**  
Date: **6 May, 2015**

*Jayant Tiku*

**Jayant Tiku**  
Chief Executive Officer  
& Executive Director

*Monica Mehra*  
**Monica Mehra**  
Company Secretary

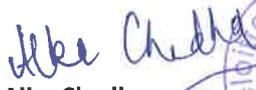
**POWERLINKS TRANSMISSION LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015**

	Note No.	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
1. Revenue from operations	21	24,190.56	25,421.02
2. Other Income	22	1,607.85	1,476.51
<b>3. Total revenue (1 +2)</b>		<b>25,798.41</b>	<b>26,897.53</b>
<b>4. Expenses</b>			
a. Employee benefits expense	23	792.68	755.41
b. Finance costs	24	3,898.33	4,751.42
c. Depreciation and amortisation expense	13	8,162.89	8,155.75
d. Transmission, administration and other expenses	25	1,073.78	1,057.39
<b>5. Total expenses</b>		<b>13,927.68</b>	<b>14,719.97</b>
<b>6. Profit before tax (3 - 5)</b>		<b>11,870.73</b>	<b>12,177.56</b>
<b>7. Tax expense / (benefit):</b>			
a. Current tax expenses		2,488.16	2,556.01
b. (Less): MAT credit		(1,828.80)	(1,668.85)
c. Net current tax expense		659.36	887.16
d. Deferred tax		(16.85)	5,401.78
Less: Adjustable from future tariff Income		16.85	(5,401.78)
Net tax expense / (benefit)		659.36	887.16
<b>8. Profit for the year (6-7)</b>		<b>11,211.37</b>	<b>11,290.40</b>
<b>9. Earnings per equity share</b>	34	2.40	2.41
(Face value Rs. 10 per share)			
-Basic and diluted (Rupees)			

See accompanying notes forming part of the financial statements **1-36**

In terms of our report attached

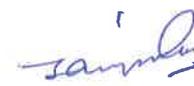
For **Deloitte Haskins & Sells**  
Chartered Accountants

  
**Alka Chadha**  
Partner



  
**R. N. Nayak**  
Chairman

  
**Suranjit Mishra**  
Chief Financial Officer



**Jayant Tiku**  
Chief Executive Officer  
& Executive Director

  
**Monica Mehra**  
Company Secretary

Place: **GURGAON**  
Date: **6 May, 2015**

Place: **GURGAON**  
Date: **6 May, 2015**



**POWERLINKS TRANSMISSION LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015**

	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
<b>A. Cash flow from operating activities</b>		
Net Profit before extraordinary items and tax	11,870.73	12,177.56
Adjustments for:		
Depreciation and amortisation expense	8,162.89	8,155.75
Loss on fixed assets written off	47.68	9.55
Finance costs	3,898.33	4,751.42
Interest from banks on deposits	(658.88)	(485.07)
Net gain on sale of mutual funds	(870.57)	(857.39)
Provision for doubtful trade receivables	-	16.85
<b>Operating profit before working capital changes</b>	22,445.36	23,768.67
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	5.95	30.76
Trade receivables	(405.85)	813.80
Short-term loans and advances	98.81	42.70
Long-term loans and advances	0.13	0.02
Other current assets	(52.65)	33.16
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	95.67	(17.52)
Other current liabilities	787.70	1,205.66
Other long-term liabilities	1,490.16	436.99
Short-term provisions	12.20	0.56
Long-term provisions	16.04	6.62
Cash generated from operations	24,493.52	26,321.42
Income tax paid	(2,480.75)	(2,531.43)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>A</b>	<b>23,789.99</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets	(259.44)	(180.42)
Proceeds from sale of fixed assets	1.50	13.13
Interest received	534.10	1,772.01
Purchase of mutual fund units	(48,949.00)	(63,774.70)
Sale of mutual fund units	52,779.57	61,081.09
Fixed deposit not considered as Cash and cash equivalents		
- Placed	(7,943.80)	(12,262.38)
- Matured	4,989.38	19,380.08
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>B</b>	<b>6,028.81</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(9,100.00)	(9,100.00)
Repayment of short term borrowings	-	(5,364.08)
Finance costs	(4,005.05)	(4,855.87)
Dividend paid	(9,009.00)	(10,530.00)
Dividend distribution tax paid	(1,531.08)	(1,538.31)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>C</b>	<b>(31,388.26)</b>
Net decrease in Cash and cash equivalents	<b>(A+B+C)</b>	(1,569.46)
Cash and cash equivalents at the beginning of the year	741.17	2,310.63
<b>Cash and cash equivalents at the end of the year</b>	<b>261.12</b>	<b>741.17</b>

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

*Alka Chadha*  
**Alka Chadha**  
Partner



Place: *Gurgaon*  
Date: *6 May, 2015*

For and on behalf of the Board of Directors

*R. N. Nayak*  
**R. N. Nayak**  
Chairman

*Suranjit Mishra*  
**Suranjit Mishra**  
Chief Financial Officer

Place: *Gurgaon*  
Date: *6 May 2015*

*Jayant Tiku*  
**Jayant Tiku**  
Chief Executive Officer  
& Executive Director

*Monica Mehra*  
**Monica Mehra**  
Company Secretary



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at 31.03.2015		As at 31.03.2014	
	Number of shares	Amount (Rs./Lacs)	Number of shares	Amount (Rs./Lacs)
<b>Note 3 : Share Capital</b>				
<b>(a) Authorised</b>				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	4836,00,000	48,360.00	4836,00,000	48,360.00
<b>(b) Issued</b>				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	4680,00,000	46,800.00	4680,00,000	46,800.00
<b>(c) Subscribed and fully paid up</b>				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	4680,00,000	46,800.00	4680,00,000	46,800.00
	<b>4680,00,000</b>	<b>46,800.00</b>	<b>4680,00,000</b>	<b>46,800.00</b>

See notes (i) to (iv) below

(i) The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.03.2015		As at 31.03.2014	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares with voting rights</b>				
The Tata Power Company Limited	2386,79,997	51.00	2386,79,997	51.00
The Tata Power Company Limited and individuals jointly	3		3	
Power Grid Corporation of India Limited	2293,19,997	49.00	2293,19,997	49.00
Individuals of Power Grid Corporation of India Limited	3		3	
	<b>4680,00,000</b>	<b>100.00</b>	<b>4680,00,000</b>	<b>100.00</b>

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Movement	Closing Balance
Equity shares with voting rights			
As at 31.03.2015			
- Number of shares	4680,00,000	-	4680,00,000
- Amount (Rs./Lacs)	46,800.00	-	46,800.00
As at 31.03.2014			
- Number of shares	4680,00,000	-	4680,00,000
- Amount (Rs./Lacs)	46,800.00	-	46,800.00

(iv) Details of shares held by The Tata Power Company Limited, the holding Company

Particulars	Aggregate number of shares	
	As at 31.03.2015	As at 31.03.2014
Fully paid up equity shares with voting rights		
The Tata Power Company Limited	2386,79,997	2386,79,997
The Tata Power Company Limited and individuals jointly	3	3



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at <b>31.03.2015</b> (Rs. / Lacs)	As at <b>31.03.2014</b> (Rs. / Lacs)
<b>Note 4 : Reserves and surplus</b>		
a. General reserve		
i. Opening balance	5,258.00	4,411.00
ii. Add: Transferred from surplus in Statement of Profit and Loss	-	847.00
iii. Closing balance	<b>5,258.00</b>	<b>5,258.00</b>
b. Self insurance reserve		
i. Opening balance	1,010.61	858.45
ii. Add: Transferred from surplus in Statement of Profit and Loss	152.23	152.16
iii. Closing balance	<b>1,162.84</b>	<b>1,010.61</b>
c. Surplus in Statement of Profit and Loss		
i. Opening balance	74.65	323.49
ii. Add: Profit for the year	11,211.37	11,290.40
iii. Less: Interim dividend distributed to equity shareholders [ Rs 1.70 per share (Previous year Rs. 1.70 per share )]	7,956.00	7,956.00
iv. Final dividend distributed to equity shareholders [Rs 0.25 per share (Previous year Re. 0.225 per share )]	1,170.00	1,053.00
v. Tax on Interim dividend	1,590.73	1,352.12
vi. Tax on final dividend	238.19	178.96
vii. Transferred to general reserve	-	847.00
viii. Transferred to self insurance reserve	152.23	152.16
Closing balance	<b>178.87</b>	<b>74.65</b>
	<b>6,599.71</b>	<b>6,343.26</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
	<b>(Rs. / Lacs)</b>	<b>(Rs. / Lacs)</b>
	<b>Non Current</b>	<b>Non Current</b>
<b>Note 5 : Long term borrowings</b>		
<b>Secured loans</b> (see note 'I' below)		
a. From bank - State Bank of India	5,058.85	6,898.44
b. From others		
i. International Finance Corporation	8,249.00	10,998.67
ii. Asian Development Bank	7,334.75	9,779.67
iii. IDFC Limited	6,197.51	8,263.33
	<u>21,781.26</u>	<u>29,041.67</u>
	<b><u>26,840.11</u></b>	<b><u>35,940.11</u></b>

**Note**

**I. Secured loans**

a) Security

The Company has entered into loan agreement with the Financial Institutions and Banks collectively known as "Senior Lenders" for financing the project. The Company has created a first charge ranking pari passu on:

- i. all of its tangible, intangible, movable, fixed and current assets;
- ii. all products of income from and proceeds of sale or other disposition of and any rights, easements, benefits, options, agreements, indemnities, warranties or covenants in respect of all of the foregoing; both present and future, in favour of the Senior Lenders for the purpose of above mentioned loan amounts.

	<b>As at</b>	<b>As at</b>
	<b>31.03.2015</b>	<b>31.03.2014</b>
b) Rate of interest		
a. From bank - State Bank of India	10.29%	10.29%
b. From others		
i. International Finance Corporation	8.80%	8.80%
ii. Asian Development Bank	9.14%	9.14%
iii. IDFC Limited	10.19%	10.19%

c) Details of terms of repayment in respect of the secured other long-term borrowings:

	<b>(Rs. / Lacs)</b>
April 2016 - March 2017	9,100.00
April 2017 - March 2018	9,100.00
April 2018 - January 2019	8,640.11
	<b><u>26,840.11</u></b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<b>Note 6 : Deferred tax liabilities</b>		
Deferred tax liabilities (Net)		
<p>a. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.</p> <p>b. The Company has started availing the tax benefit under section 80IA of the Income Tax Act, 1961, with effect from the financial year 2011-12, whereby the Company will be entitled to a tax holiday for 10 years. Deferred tax liabilities as at 31 March, 2015, as detailed below reflect the quantum of tax liabilities accrued up to 31 March, 2015 but payable after the expiry of tax holiday period.</p>		
<u>Tax effect of Items constituting deferred tax liabilities</u>		
On difference between book balance and tax balance of fixed assets	12,705.93	12,722.78
Less: Adjustable from future tariff income	(12,705.93)	(12,722.78)
<b>Tax effect of items constituting deferred tax liabilities (see note below)</b>	-	-

**Note:**

Adjustable from future tariff income as per the Central Electricity Regulatory Commission Tariff Regulations.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<b>As at 31.03.2015 (Rs. / Lacs)</b>	<b>As at 31.03.2014 (Rs. / Lacs)</b>
<b>Note 7 : Other long term liabilities</b>		
Unearned income - to be utilised in future tariff determination	4,837.73	3,347.57
	<b>4,837.73</b>	<b>3,347.57</b>
<b>Note 8 : Long term provisions</b>		
a. Provision for employee benefits		
i. Provision for compensated absences	104.81	99.73
ii. Provision for gratuity (net)	12.01	1.05
	<b>116.82</b>	<b>100.78</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at <b>31.03.2015</b> (Rs. / Lacs)	As at <b>31.03.2014</b> (Rs. / Lacs)
<b>Note 9 : Trade payables</b>		
Trade payables-other than acceptances	311.08	220.23
	<b>311.08</b>	<b>220.23</b>
<b>Note 10 : Other current liabilities</b>		
a. Interest accrued but not due on borrowings	426.85	533.57
b. Dividend distribution tax on interim dividend	1,590.73	1,352.12
c. Other payables		
i. Statutory dues (Contributions to PF, ESIC, withholding taxes and service tax etc.)	46.78	17.17
ii. Payables on purchase of fixed assets	8.38	8.38
iii. Advance from customers	1,072.58	1,276.65
iv. Unearned income - to be utilised in future tariff determination	962.16	-
	<b>4,107.48</b>	<b>3,187.89</b>
<b>Note 11 : Current maturities of long-term debt</b>		
a. From banks (see note below)		
i. State Bank of India	1,839.58	1,839.58
b. From others (see note below)		
i. International Finance Corporation	2,749.67	2,749.67
ii. Asian Development Bank	2,444.91	2,444.91
iii. IDFC Limited	2,065.84	2,065.84
	7,260.42	7,260.42
	<b>9,100.00</b>	<b>9,100.00</b>
Note: Security for 'Current maturities of long-term debt' is stated in note 'I' of Note 5 - 'Long term borrowings'		
<b>Note 12 : Short term provisions</b>		
a. Provision for employee benefits		
i. Provision for compensated absences	32.62	20.42
b. Provision - others		
i. Provision for proposed dividend	1,170.00	1,053.00
ii. Provision for tax on proposed dividend	238.19	178.96
	<b>1,440.81</b>	<b>1,252.38</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note 13 : Fixed assets (At cost)**

		(All amounts in Rs. / Lacs)													
S. No.	Description	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK			
		As at 01.04.2014	Additions	Deletions / Adjustments	As at 31.03.2015	As at 01.04.2014	For the year	Deletions / Adjustments	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014				
<b>A</b>	<b>TANGIBLE ASSETS:</b>														
	(Owned)														
1.	Freehold land	131.39 (131.39)	- (-)	- (-)	131.39 (131.39)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	131.39 (131.39)	131.39 (131.39)	131.39 (131.39)
2.	Non factory building	2,601.57 (2,591.17)	4.81 (10.40)	- (-)	2,606.38 (2,601.57)	334.84 (235.31)	99.86 (99.53)	- (-)	434.70 (334.84)	- (-)	- (-)	434.70 (334.84)	2,171.68 (2,266.73)	2,266.73 (2,355.86)	2,266.73 (2,355.86)
3.	Plant and equipment	1,52,166.85 (1,52,176.14)	150.06 (22.93)	84.88 (32.22)	1,52,232.03 (1,52,166.85)	61,316.79 (53,303.22)	8,033.34 (8,027.37)	37.20 (13.80)	69,312.93 (61,316.79)	37.20 (13.80)	69,312.93 (61,316.79)	69,312.93 (61,316.79)	82,919.10 (90,850.06)	90,850.06 (98,872.92)	90,850.06 (98,872.92)
	a. Transmission lines														
	b. Computers	9.88 (20.32)	9.30 (5.55)	2.75 (15.99)	16.43 (9.88)	2.26 (12.61)	5.23 (2.40)	2.59 (12.75)	4.90 (2.26)	2.59 (12.75)	4.90 (2.26)	4.90 (2.26)	11.53 (7.62)	7.62 (7.71)	7.62 (7.71)
	c. Others	101.35 (100.24)	18.68 (1.11)	- (-)	120.03 (101.35)	18.70 (13.27)	5.98 (5.43)	- (-)	24.68 (18.70)	- (-)	- (-)	24.68 (18.70)	95.35 (82.65)	82.65 (86.97)	82.65 (86.97)
4.	Furniture and fixtures	36.56 (39.52)	9.46 (-)	2.95 (2.96)	43.07 (36.56)	29.36 (27.08)	3.19 (5.05)	2.90 (2.77)	29.65 (29.36)	2.90 (2.77)	29.65 (29.36)	29.65 (29.36)	13.42 (7.20)	7.20 (12.44)	13.42 (7.20)
5.	Vehicles	21.76 (16.23)	- (5.53)	17.63 (-)	4.13 (21.76)	15.18 (9.49)	3.38 (5.69)	16.53 (-)	2.03 (15.18)	16.53 (-)	2.03 (15.18)	2.03 (15.18)	2.10 (6.58)	6.58 (6.74)	2.10 (6.58)
6.	Office equipment	50.44 (36.28)	24.00 (24.51)	2.99 (10.35)	71.45 (50.44)	19.73 (21.32)	9.36 (7.93)	2.80 (9.52)	26.29 (19.73)	2.80 (9.52)	26.29 (19.73)	26.29 (19.73)	45.16 (30.71)	30.71 (14.96)	45.16 (14.96)
	<b>Total</b>	<b>1,55,119.80</b>	<b>216.31</b>	<b>111.20</b>	<b>1,55,224.91</b>	<b>61,736.86</b>	<b>8,160.34</b>	<b>62.02</b>	<b>69,835.18</b>	<b>62.02</b>	<b>69,835.18</b>	<b>69,835.18</b>	<b>85,389.73</b>	<b>93,382.94</b>	<b>85,389.73</b>
	<b>Previous year</b>	<b>(1,55,111.29)</b>	<b>(70.03)</b>	<b>(61.52)</b>	<b>(1,55,119.80)</b>	<b>(53,622.30)</b>	<b>(8,153.40)</b>	<b>(38.84)</b>	<b>(61,736.86)</b>	<b>(38.84)</b>	<b>(61,736.86)</b>	<b>(61,736.86)</b>	<b>(93,382.94)</b>	<b>(1,01,488.99)</b>	<b>(93,382.94)</b>
<b>B</b>	<b>INTANGIBLE ASSETS:</b>														
1.	Computer software	11.75 (11.75)	111.07 (-)	- (-)	122.82 (11.75)	4.89 (2.54)	2.55 (2.35)	- (-)	7.44 (4.89)	- (-)	- (-)	7.44 (4.89)	115.38 (6.86)	6.86 (9.21)	115.38 (6.86)
	<b>Total</b>	<b>11.75</b>	<b>111.07</b>	<b>-</b>	<b>122.82</b>	<b>4.89</b>	<b>2.55</b>	<b>-</b>	<b>7.44</b>	<b>-</b>	<b>-</b>	<b>7.44</b>	<b>115.38</b>	<b>6.86</b>	<b>115.38</b>
	<b>Previous year</b>	<b>(11.75)</b>	<b>(-)</b>	<b>(-)</b>	<b>(11.75)</b>	<b>(2.54)</b>	<b>(2.35)</b>	<b>(-)</b>	<b>(4.89)</b>	<b>(-)</b>	<b>(-)</b>	<b>(4.89)</b>	<b>(6.86)</b>	<b>(9.21)</b>	<b>(6.86)</b>
	<b>Grand total</b>	<b>1,55,131.55</b>	<b>327.38</b>	<b>111.20</b>	<b>1,55,347.73</b>	<b>61,741.75</b>	<b>8,162.89</b>	<b>62.02</b>	<b>69,842.62</b>	<b>62.02</b>	<b>69,842.62</b>	<b>69,842.62</b>	<b>85,505.11</b>	<b>93,389.80</b>	<b>85,505.11</b>
	<b>Previous year</b>	<b>(1,55,123.04)</b>	<b>(70.03)</b>	<b>(61.52)</b>	<b>(1,55,131.55)</b>	<b>(53,624.84)</b>	<b>(8,153.75)</b>	<b>(38.84)</b>	<b>(61,741.75)</b>	<b>(38.84)</b>	<b>(61,741.75)</b>	<b>(61,741.75)</b>	<b>(93,389.80)</b>	<b>(1,01,498.20)</b>	<b>(93,389.80)</b>

Note: Figures in brackets pertain to the previous year



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at <b>31.03.2015</b> (Rs. / Lacs)	As at <b>31.03.2014</b> (Rs. / Lacs)
<b>Note 14 : Long term loans and advances</b> <b>(Unsecured, considered good)</b>		
a. Capital advances	1,046.41	1,132.52
b. Security deposits	36.93	37.06
c. Advance income tax and tax deducted at source [net of provision for tax Rs. 16,389.46 lacs (Previous Year Rs. 13,901.30 Lacs) and FBT Rs. 16.45 lacs (Previous Year Rs 16.45 lacs)]	697.70	705.11
d. MAT credit entitlement	6,479.88	4,651.08
e. Other loans and advances	8.43	8.43
	<b>8,269.35</b>	<b>6,534.20</b>

**Note 15 : Current investments**

**Investments in mutual funds (Unquoted)**

(At lower of cost or fair value)

a. Nil (Previous Year : 25,000,000.00 units each of Rs. 10.00) ICICI Prudential FMP Series 69-369 days -Growth*	-	2,500.00
b. Nil (Previous Year : 70,095.35 units each of Rs. 1,462.29) Baroda Pioneer Liquid fund - Plan A Growth	-	1,025.00
c. Nil (Previous Year : 4,400,000.00) units each of Rs. 10.00 Kotak FMP Series 116 -Growth*	-	440.00
d. Nil (Previous Year : 108,015.28 units each of Rs. 1,419.24) Units each of Rs. 1,515.07 Axis Liquid Fund - Growth	-	1,533.00
e. 1,958,061.76 (Previous Year : 418,696.68 units each of Rs 26.99) units each of Rs. 29.42 Sundaram Money Fund Regular Growth	576.00	113.00
f. 108,008.74 (Previous Year : Nil) units each of Rs. 1,921.14 Religare Invesco Liquid fund - Growth	2,075.00	-
	<b>2,651.00</b>	<b>5,611.00</b>
Aggregate amount of unquoted investments	2,651.00	5,611.00

\*Current investments under lien for Debt Service Accrual Account (DSRA) and Debt Service Accrual Account (DSAA)



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at <b>31.03.2015</b> (Rs. / Lacs)	As at <b>31.03.2014</b> (Rs. / Lacs)
<b>Note 16 : Inventories</b>		
(At lower of cost and net realisable value)		
Stores and spares	<b>191.32</b>	<b>197.27</b>
<b>Note 17 : Trade receivables (Unsecured, considered good)</b>		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered good	16.85	16.85
- Doubtful	16.85	16.85
Less: Provision for doubtful trade receivables	16.85	16.85
b. Other trade receivables	2,487.73	2,081.88
	<b>2,487.73</b>	<b>2,081.88</b>
<b>Note 18 : Cash and cash equivalents</b>		
<b>A Cash and cash equivalents</b>		
a. Cash in hand	0.34	0.77
b. Balance with banks - in current accounts	80.78	115.40
c. Balance with banks - in demand deposit accounts	180.00	625.00
<b>Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)</b>	<b>261.12</b>	<b>741.17</b>
<b>B Other bank balances</b>		
a. In earmarked accounts		
- in deposit accounts under lien*	7,943.80	4,989.38
<b>Total - Other bank balances (B)</b>	<b>7,943.80</b>	<b>4,989.38</b>
<b>Total Cash and cash equivalents (A+B)</b>	<b>8,204.92</b>	<b>5,730.55</b>
* Deposits under lien for Debt Service Reserve Account (DSRA) Debt Service Accrual Account (DSAA), Self Insurance Reserve and Guarantee	7,943.80	4,989.38
<b>Note 19 : Short term loans and advances (Unsecured, considered good)</b>		
a. Loans and advances to employees	3.16	0.83
b. Prepaid expenses	27.98	30.45
c. System operation charges recoverable	102.07	207.73
d. Other loans and advances	7.08	0.09
	<b>140.29</b>	<b>239.10</b>
<b>Note 20 : Other current assets</b>		
a. Unbilled revenue	2,293.62	2,240.97
b. Accrued interest on deposits	265.44	140.66
	<b>2,559.06</b>	<b>2,381.63</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<b>Year ended 31.03.2015</b>	<b>Year ended 31.03.2014</b>
	<b>(Rs. / Lacs)</b>	<b>(Rs. / Lacs)</b>
<b>Note 21 : Revenue from operations</b>		
Sale of services (see note below)	<b>24,190.56</b>	<b>25,421.02</b>
<b>Note:</b>		
Sale of services comprises:		
a. Transmission service charges	23,870.36	24,988.80
b. Incentive on transmission service charges	276.85	388.08
c. Consultancy, project management and supervision fee	43.35	44.14
	<b>24,190.56</b>	<b>25,421.02</b>
<b>Note 22 : Other Income</b>		
a. Interest from banks on deposits	658.88	485.07
b. Surcharge	56.04	92.69
c. Net gain on sale of mutual funds units	870.57	857.39
d. Other non-operating income (see note I below)	22.36	41.36
	<b>1,607.85</b>	<b>1,476.51</b>
<b>Notes:</b>		
(I) Other non-operating income comprises:		
a. Excess provision no longer required written back	4.82	4.03
b. Miscellaneous Income	17.54	37.33
	<b>22.36</b>	<b>41.36</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
<b>Note 23 : Employee benefit expenses</b>		
a. Salaries and wages	656.87	632.80
b. Contribution to provident and other funds	84.14	64.22
c. Staff welfare expenses	51.67	58.39
	<b>792.68</b>	<b>755.41</b>
<b>Note 24 : Finance costs</b>		
a. Interest expense on borrowings	3,869.96	4,716.71
b. Other borrowing costs		
i. Other borrowing costs	27.55	34.71
ii. Interest on delayed payment of income tax	0.82	-
	<b>3,898.33</b>	<b>4,751.42</b>
<b>Note 25 : Transmission, administration and other expenses</b>		
a. Rent and hire charges	15.70	11.73
b. Repairs and maintenance		
i. Building	8.91	4.47
ii. Plant and machinery	133.36	322.84
iii. Others	1.93	3.16
c. Insurance charges	9.23	8.57
d. Rates and taxes (see note 'ii' below)	46.06	28.67
e. Communication expenses	21.51	18.81
f. Travelling and conveyance	155.34	158.25
g. Printing, postage and stationery	8.49	8.91
h. Rebate on transmission charges	182.32	221.10
i. Payments to Auditors (see note 'i' below)	30.50	26.29
j. Legal and professional fees	104.11	80.54
k. Office and security expenses	143.55	100.75
l. Director's sitting fees	5.20	3.70
m. Electricity charges	18.13	16.89
n. Fees and subscription	20.60	21.22
o. Training and workshop expenses	11.03	6.61
p. Provision for doubtful trade receivables	-	16.85
q. Loss on fixed assets written off	47.68	9.55
r. System operation charges (see note 'iii' below)	-	-
s. Expenditure on corporate social responsibility	111.47	-
t. Miscellaneous expenses	17.47	9.83
	<b>1,092.59</b>	<b>1,078.74</b>
<b>Note</b>		
i. Payment to auditors comprises		
(a) Statutory audit fee (including quarterly audits)	12.36	12.36
(b) Tax audit fees	1.69	1.69
(c) Certification Fee	3.43	6.65
(d) Other services	4.94	4.94
(e) Out of pocket expenses	0.69	0.65
	<b>23.11</b>	<b>26.29</b>
The remuneration disclosed above excludes fees of Rs. 7.39 lacs (Previous year Rs. Nil) for professional services rendered by firm of accountants in which the partners of the firm of statutory auditors are partners.		
ii. Rates and taxes	102.50	84.13
Less: reimbursements received/receivable for application fee and license fee paid	(56.44)	(55.46)
	<b>46.06</b>	<b>28.67</b>
iii. System operation charges	33.72	175.02
Less: recoverable from beneficiaries	(33.72)	(175.02)
	<b>-</b>	<b>-</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**Note 1: Background**

Powerlinks Transmission Limited (the Company), has been set up pursuant to an agreement between The Tata Power Company Limited and PowerGrid Corporation of India Limited (Powergrid) with 51% and 49% shareholding respectively, has been set up to construct, operate and maintain 1,166 Kilometers of five 400 KV Double Circuit Transmission Lines and one 220 KV Double Circuit Transmission Line from Siliguri in West Bengal via Bihar to Mandola in Uttar Pradesh under the "Build-Own-Operate-Transfer" (BOOT) basis. Power is being evacuated from the Tala Hydro Electric Power Project in Bhutan, a Project developed by Government of India and Government of Bhutan, and surplus power in Eastern India and is being transferred to Northern India through the Transmission Lines.

The Company has been granted transmission license for 25 years by Central Electricity Regulatory Commission (CERC) for the transmission of electricity effective 13 November, 2003.

The Company has also entered into a Transmission Service Agreement and Implementation Agreement with Powergrid according to which entire transmission capacity of the Transmission Lines is being made available to Powergrid for the transmission of power. The Transmission Lines are in operation since 2006.

**Note 2: Significant accounting policies**

**a. Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis using the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b. Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**c. Reserves and surplus**

Self Insurance reserve is created at the rate of 0.1% per annum on gross block of Transmission Assets as at the end of the year by appropriating current year profit towards future losses which may arise from un-insured risks.

**d. Inventories**

Inventories are valued at the lower of cost determined on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**e. Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**f. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**g. Depreciation and amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets in respect of electricity business comprising of non-factory building and transmission lines is provided at the rate as well as methodology notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 generally in accordance with the provision of Schedule II of the Companies Act, 2013.

Depreciation on other tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the Vehicles whose estimated useful life is estimated as 4 years by the management taking into account the nature of assets, the estimate usage of the asset, the operating conditions of the assets etc.

Assets costing less than Rs. 5,000 individually have been fully depreciated in the year of purchase.

Intangible assets are amortised over their estimated useful life on straight line method or 5 years, whichever is lower.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

**h. Revenue recognition**

- i. Transmission Service Charges have been computed as per the CERC (Terms & Conditions of Tariff) Regulations, 2009, effective 1 April, 2009, applicable for the Tariff Block 2009-2014. As per CERC Regulations 2009, transmission income is to be computed by taking Return on Equity (ROE) at the rate of 15.50% on post tax basis and after grossing up with applicable MAT tax rate (as applicable for the current financial year) for the purpose of recognition of revenue.
- ii. The transmission system incentive/disincentive is accounted for based on the norms approved by CERC and 'Certificate of Availability' given by the respective Regional Power Committees and respective regional load dispatch centers.
- iii. Revenue on fixed price contracts is recognised according to the 'proportionate completion' method based on work completed.
- iv. Surcharge recoverable from trade receivables and liquidated damages/ interest on advances to suppliers are recognised when no significant uncertainty as to measurability and collectability exists.

**i. Other income**

Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive is established.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**j. Tangible assets**

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful lives of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such assets beyond their previously assessed standards of performance.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

Capital work-in-progress:

Tangible fixed assets which are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**k. Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

**l. Foreign exchange transactions and translations**

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

**m. Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.



**n. Employee benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan:

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of such compensated absences is accounted as under:

- i. in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- ii. in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

**o. Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**p. Leases**

**i. Operating lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

**ii. Finance lease**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and the present value of minimum lease rentals is capitalised as fixed assets with the corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and the interest component is charged to profit and loss account.

**q. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**r. Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**s. Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

**t. Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**u. Advance Against Depreciation (AAD)**

Advance against depreciation (AAD), forming part of tariff pertaining upto the block period 2004-09, to facilitate repayment of loans, is to be recognized as transmission income after twelve years from the end of the financial year in which the asset was commissioned to the extent depreciation recovered in the tariff during the year is lower than depreciation charged in the accounts.

**v. Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**w. Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**Note 26: Provision for income tax**

The Company has made a provision of tax of Rs. 2,488.16 Lacs (Previous Year Rs. 2,556.01 Lacs) as follows:

- a. Rs. 2,149.46 Lacs (Previous Year Rs. 2,246.58 Lacs) under section 115JB of Income Tax Act, 1961 on Transmission business.
- b. Rs. 338.70 Lacs (Previous Year Rs. 309.43 Lacs) under section 115JB of Income Tax Act, 1961 on income from consultancy and other sources.

The Company had paid income tax amounting to Rs. 1,249.19 lacs (including interest of Rs. 136.55 lacs due to delayed payments) during the year ended 31 March, 2009 towards income taxable on account of Advance Against Depreciation (AAD) allowed by the CERC for the years ended 31 March, 2008 and 2009 pursuant to an advance ruling given in case of National Hydroelectric Power Corporation Limited (NHPC) by Income Tax Authorities for Advance Rulings which opined that tax was payable on AAD. The Company had recorded transmission service income of Rs. 594.66 lacs and Rs. 654.53 lacs during the year ended 31 March, 2008 and 31 March, 2009 respectively against the aforesaid tax payment.

As per the Supreme Court ruling dated 5 January, 2010 in case of "National Hydroelectric Power Corporation Limited Vs Commissioner of Income Tax", the Supreme Court had opined that AAD cannot be considered as income being income received in advance which would be taxed in the year in which income is accrued. Accordingly, the Company had revised its income tax returns in August 2010 and claimed a refund of Rs. 611.40 lacs and Rs. 636.14 lacs for the years ended 31 March, 2008 and 31 March, 2009 respectively.

The Company had received a refund of Rs. 636.14 lacs (including interest of Rs. 51.19 lacs) pertaining to the year ended 31 March, 2009 during the year ended 31 March, 2013. Accordingly, the Company had made an adjustment to transmission service charges amounting to Rs. 654.53 lacs (including tax adjustment related to the refund amount). The refund of interest of Rs. 51.19 lacs was included under 'other income' and refund of tax amount of Rs. 580.38 lacs was credited to the Statement of Profit and Loss as current tax adjustment relating to prior years.

The accounting for tax paid on Advance Against Depreciation for the year ended 31 March, 2008 would be done on its receipt and will be based on the prevalent tariff regulations.

**Note 27: Accrual of Transmission Service Charges**

Transmission service charge including incentive to be charged to customers is determined by the Central Electricity Regulatory Commission (CERC) in accordance with the tariff regulations/norms notified by CERC.

During the period the Company has raised invoices on customers for transmission charges on the basis of tariff as approved by CERC and applicable upto 31 March, 2014. The Company has filed the Petition for Annual Transmission Charges for the period April 2014 to March 2019 under Regulation 7(3) of Central Electricity Regulatory Commission 'CERC' (Terms & Conditions of Tariff) Regulations 2014. Pending approval of the final tariff, the Company has accrued the transmission service income including incentive on an estimated basis as per CERC regulations dated 21 February, 2014 effective from 1 April, 2014.

**Note 28: Expenditure for consultancy services**

Total expenditure of Rs. 13,745.36 lacs (Previous year Rs. 14,498.87 lacs) for the year includes Rs. 35.30 lacs (Previous year Rs. 61.25 lacs) incurred towards total project management consultancy.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 29: Disclosure pursuant to Accounting Standard 15 (revised 2005) on 'Employee Benefits'**

**a. Defined contribution plan**

The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited with the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The Company recognised Rs. 76.01 Lacs (Previous Year Rs. 59.73 Lacs) for Superannuation, provident fund and Employees' State Insurance contributions in the Statement of Profit and Loss. The contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

**b. Defined benefit plan – Gratuity plan**

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of five years service.

**c. Policy for recognising actuarial gains and losses**

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss as income or expense.

**d. The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2015:**

S. No.	Particulars	(All amounts in Rs. /Lacs)	
		Year ended 31.03.2015	Year ended 31.03.2014
<b>i. Change in benefit obligations:</b>			
A	Present value of obligations at the beginning of year	77.28	71.43
B	Current service cost	11.69	11.37
C	Interest cost	7.03	5.71
D	Actuarial gain/(loss) on obligation	6.55	(5.65)
E	Benefits paid	(10.38)	(5.58)
	<b>Present value of obligations at the end of the year</b> (F=A+B+C+D+E)	<b>92.17</b>	<b>77.28</b>
<b>ii. Change in plan assets:</b>			
A	Fair value of plan assets at the beginning of year	76.23	58.68
B	Actual return on plan assets	7.05	5.28
C	Employer's contributions	8.13	17.48
D	Benefits paid	(10.38)	(5.59)
E	Actuarial gain / (Loss)	(0.87)	0.38
	<b>Plan assets at the end of the year</b> (F=A+B+C+D+E)	<b>80.16</b>	<b>76.23</b>
<b>iii. Net Liability (i-ii)</b>		<b>12.01</b>	<b>1.05</b>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**iv. Expenses recognised in the Statement of Profit and Loss:**

A	Current service cost	11.69	11.37
B	Interest cost	7.03	5.71
C	Expected return/(loss) on plan assets	(7.05)	(5.28)
D	Actuarial gain recognised during the year	7.42	(6.03)
<b>Net charge/(credit)</b> (E=A+B+C+D)		<b>19.09</b>	<b>5.77</b>

**v. Additional Information:**

	2015	2014	2013	2012	2011	2010
Present Value of benefit obligations	92.17	77.28	71.43	58.28	56.84	37.01
Fair Value of Plan Asset	80.16	76.23	58.68	52.97	46.89	27.38
Excess of (obligation over plan asset)/ Plan asset over obligation	12.01	1.05	12.75	5.31	9.96	9.63

**vi. Experience Adjustment:**

On Plan Liability	0.35	(5.06)	(5.37)	2.42	(20.52)	(5.87)
On Plan Assets	(0.87)	0.38	(0.34)	(0.22)	0.01	(0.16)

**vii. Principal actuarial assumptions:**

S.No.	Particulars	Refer note below	Year ended 31.03.2015	Year ended 31.03.2014
i.	Discount rate (p.a.)	1	7.80%	9.10%
ii.	Rate of return on assets (p.a.)	2	8.75%	9.25%
iii.	Salary escalation rate (p.a.)	3	10.00%	10.00%

**Notes:**

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- 

**Demographic assumptions:**

- Retirement age 60 years
- Mortality rate Indian Assured Lives Mortality (2006-08)

**e. Actuarial assumptions for long –term compensated absences**

**i. Principal actuarial assumptions:**

S.No.	Particulars	Refer note below	Year ended 31.03.2015	Year ended 31.03.2014
i.	Discount rate (p.a.)	1	7.80%	9.10%



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

ii.	Salary escalation rate (p.a.)	2	10.00%	10.00%
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**Notes:**

1. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets is not available with the Company.

**Note 30: Contingent liabilities and commitments**

Particulars	As at 31.03.2015 Rs./lacs	As at 31.03.2014 Rs./lacs
<b>(a) Contingent Liabilities</b>		
Claims against the Company not acknowledged as debt*		
- Disputed demands raised by sales tax authorities	3,495.38	2,497.74
- others	1,392.05	907.66
* No provision is considered necessary since the Company expects favorable decisions.		
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	147.37	148.94

**Note 31: Expenditure incurred in foreign currency**

Particulars	Year ended 31.03.2015 (Rs./Lacs)	Year ended 31.03.2014 (Rs./Lacs)
Other borrowing cost	6.07	5.97



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 32: Related Party Disclosures**

**a. List of related parties**

- i. Holding Company
  - The Tata Power Company Limited (TPCL)
- ii. Company Exercising Significant Influence
  - Powergrid Corporation of India Limited (PGCIL)
- iii. Subsidiary of Company Exercising Significant Influence
  - Power System Operation Corporation Limited (POSOCO)
- iv. Associate of Holding Company
  - Yashmun Engineering Limited (YEL)
- v. Key Management Personnel (KMP)
  - Jayant Tiku- Chief Executive officer & Executive Director (w.e.f. 1 February, 2015)
  - Arvind Singh - Executive Director & CEO (upto 31 January, 2015)

**b. Transactions/balances outstanding with Related Parties**

(All amounts are in Rs. / Lacs)

S. No.	Particulars	(TPCL)	(PGCIL)	POSOCO	YEL	KMP
<b>Transactions during the year:</b>						
1	Transmission service charges	-	23,870.36	-	-	-
		(-)	(24,988.80)	(-)	(-)	(-)
2	Consultancy Fee	35.44	-	-	-	-
		(44.14)	(-)	(-)	(-)	(-)
3	Incentive on transmission service charges	-	276.85	-	-	-
		(-)	(388.08)	(-)	(-)	(-)
4	Rebate on transmission charges	-	182.32	-	-	-
		(-)	(221.10)	(-)	(-)	(-)
5	Surcharge	-	56.04	-	-	-
		(-)	(92.69)	(-)	(-)	(-)
6	Computer software	110.13	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
7	Repairs and maintenance - Plant and machinery	-	-	-	44.85	-
		(-)	(84.39)	(-)	(-)	(-)
8	System operation charges	-	-	33.72	-	-
		(-)	(0.58)	(175.02)	(-)	(-)



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(All amounts are in Rs. / Lacs)

S. No.	Particulars	(TPCL)	(PGCIL)	POSOCO	YEL	KMP
9	Interest expense on borrowings	-	-	-	-	-
		(9.10)	(-)	(-)	(-)	(-)
10	Managerial remuneration	-	-	-	-	79.60
		(-)	(-)	(-)	(-)	(62.33)
	(a) Arvind Singh					64.81
		(-)	(-)	(-)	(-)	(62.33)
	(b) Jayant Tiku	-	-	-	-	14.79
		(-)	(-)	(-)	(-)	(-)
11	Reimbursement of expenses by the Company	0.23	77.62	-	-	-
		(2.07)	(15.40)	(-)	(-)	(-)
12	Reimbursement of expenses to the Company	0.82	90.16	-	-	-
		(2.41)	(230.48)	(-)	(-)	(-)
13	Interim dividend	4,057.56	3,898.44	-	-	-
		(4,057.56)	(3,898.44)	(-)	(-)	(-)
14	Final dividend	596.70	573.30	-	-	-
		(537.03)	(515.97)	(-)	(-)	(-)

**Balances outstanding as at the year end:**

15	Share capital	23,868.00	22,932.00	-	-	-
		23,868.00	(22,932.00)	(-)	(-)	(-)
16	Unearned income - to be utilised in future tariff determination					
	- other long term liabilities	-	4,837.73	-	-	-
		(-)	(3,347.57)	(-)	(-)	(-)
17	Trade payables	-	28.06	2.76	15.96	-
		(-)	(1.11)	(2.98)	(-)	(-)
18	Advance from customers	-	1,072.58	-	-	-
		(-)	(1,276.65)	(-)	(-)	(-)
19	Unearned income - to be utilised in future tariff determination					
	- other current liabilities	-	962.16	-	-	-
		(-)	(-)	(-)	(-)	(-)
20	System operation charges recoverable	-	102.10	-	-	-
		(-)	(207.73)	(-)	(-)	(-)
21	Capital advances	-	277.76	-	-	-
		(-)	(277.76)	(-)	(-)	(-)



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(All amounts are in Rs. / Lacs)

S. No.	Particulars	(TPCL)	(PGCIL)	POSOCO	YEL	KMP
22	Trade receivables	9.22 (-)	2,475.23 (2,081.88)	-	-	-
23	Unbilled revenue	2.42 (4.91)	2,291.20 (2,236.06)	-	-	-
24	Dividend payable	596.70 (537.03)	573.30 (515.97)			

Notes:

- i. Figures in brackets pertain to the previous year.
- ii. As per Central Electricity Regulatory Commission (Sharing of Inter- State Transmission charges and Losses) Regulation 2010, the Company has entered into Transmission Service Agreement (TSA) and Revenue Sharing Agreements (RSA) with Powergrid Corporation of India Limited 'Powergrid' being the Central Transmission Utility (CTU) under the Regulation. Pursuant to the agreements, the billing, collection and disbursement of transmission charges are being handled by the CTU on behalf of the Company being an Interstate Transmission System (ISTS) licensee. Accordingly, the transactions of the Company with Powergrid, in the capacity of CTU, has been disclosed under Related Party Transactions.

**Note 33: Segmental reporting**

The Company is engaged in the business of operating and maintaining transmission lines and related operations, primarily in India. As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by paragraphs 39 to 51 of Accounting Standard 17-segment reporting have not been provided in these financial statements.

**Note 34: Earnings per share**

Basic earnings per equity share have been computed by dividing net profit after tax after appropriation by the weighted average number of equity shares outstanding for the year.

S. No.	Particulars	Units	Year ended 31.03.2015	Year ended 31.03.2014
a.	Net profit after tax	Rs. / lacs	11,211.37	11,290.40
b.	Weighted average of number of equity shares used in computing basic earnings per share	No. of shares	468,000,000	468,000,000
c.	Basic earnings per share (a/b)	Rs./share	2.40	2.41

**Note 35: Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the Micro, Medium and Small Enterprises Development (MSMED) Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

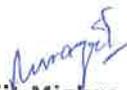
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**Note 36: Previous year's figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

**For and on behalf of the Board**

  
**R. N. NAYAK**  
Chairman

  
**Suranjit Mishra**  
Chief Financial Officer

  
**JAYANT TIKU**  
Chief Executive Officer  
& Executive Director

  
**Monica Mehra**  
Company Secretary

Place: *GURGAON*  
Date: *6 May 2015*

