

INDEPENDENT AUDITOR'S REPORT

To the Members of Powerlinks Transmission Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Powerlinks Transmission Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act 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 audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (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 except for the matter stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- iv. The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 13 to the Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- v. The Company has migrated to an upgraded version of the accounting software from its legacy accounting software on December 23, 2024.
Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the aforesaid software, except that audit trail feature was not enabled for direct changes to data in the legacy accounting software when using certain access rights during the period April 1, 2024 to October 17, 2024, as described in Note 38 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the aforesaid accounting software where the audit trail has been enabled. Additionally, the audit trail of previous year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year as stated in Note 38 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Nikhil Gupta**

Partner

Membership Number: 517577

UDIN: 25517577BNINRU4435

Place of Signature: Gurugram

Date: 16 April 2025



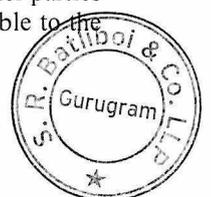
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ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT ON EVEN DATE

Re: Powerlinks Transmission Limited (‘the Company’)

- (i) (a) (A) According to the information and explanation given by the management, there are no Property, Plant & Equipment in the Company and accordingly, the requirements under Paragraph 3(i)(a)(A) of the Order is not applicable to the Company.
- (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) According to the information and explanation given by the management, there are no Property, Plant & Equipment in the Company and accordingly, the requirements under Paragraph 3(i)(b) of the Order is not applicable to the Company.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025 therefore the requirement to report under Paragraph 3(i)(d) of the Order is not applicable to the company.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties except the holding company. The Company has granted loans to the holding company and the terms and conditions of such loans are not prejudicial to the Company’s interest.
- (c) The Company has granted loans to holding company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loan granted to holding company which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties in the current year. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.



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- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the of Transmission of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. Undisputed statutory dues including duty of custom, duty of excise, value added tax, sales-tax, service tax, are not applicable to the Company.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax service tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

| Nature of the statute | Nature of dues | Amount (Rs. lacs) | Period to which the amount relates | Forum where the dispute is pending |
|---------------------------------|---------------------------|-------------------|------------------------------------|------------------------------------|
| Income Tax Act, 1961 | Dividend distribution Tax | 1,957 | Assessment Year 2018-19 | Assessing Officer |
| Income Tax Act, 1961 | Income Tax | 16.50 | Assessment Year 2020-21 | Assessing Officer |
| Income Tax Act, 1961 | Income Tax | 371.51 | Assessment Year 2021-22 | CIT (Appeals) |
| Income Tax Act, 1961 | Income Tax | 0.082 | Assessment Year 2022-23 | Assessing Officer |
| The Central Sales Tax Act, 1956 | Sales Tax | 368.86* | Assessment Year 2009-10 to 2011-12 | Additional Commissioner Appeals |

*net of amount (INR 8.43 lacs) deposited under protest in connection with a dispute with the concerned authorities.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.



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- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report for the period under audit have been considered by us.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.



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- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and one CIC which are not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 33 to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 24 to the Ind AS financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 24 to the Ind AS financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Nikhil Gupta**

Partner

Membership Number: 517577

UDIN: 25517577BNINRU4435

Place of Signature: Gurugram

Date: 16 April 2025



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF POWERLINKS TRANSMISSION LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Ind AS financial statements of Powerlinks Transmission Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

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



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Inherent Limitations of Internal Financial Controls With Reference to these Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Nikhil Gupta**

Partner

Membership Number: 517577

UDIN: 25517577BNINRU4435

Place of Signature:

Date: 16 April 2025



POWERLINKS TRANSMISSION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

Powerlinks Transmission Limited
Balance Sheet as at 31 March 2025
CIN:U40105DL2001PLC110714

| Notes | As at | | |
|---|---------------|------------------|--------------------|
| | 31 March 2025 | 31 March 2024 | |
| | INR lacs | INR lacs | |
| Assets | | | |
| Non-current assets | | | |
| Right of use assets | 6 | 532.30 | 600.63 |
| Financial assets | | | |
| (i) Trade Receivables | 10 | 960.01 | 1,093.46 |
| (ii) Service concession arrangement | 3 | 72,622.16 | 72,947.49 |
| (iii) Other financial assets | 4 | 36.93 | 36.86 |
| Income Tax Assets (Net) | 5 | 348.03 | 334.25 |
| Other non-current assets | 7 | 8.43 | 8.43 |
| Deferred tax asset (net) | 16 | 4,520.42 | 5,887.45 |
| | | 79,028.28 | 80,908.57 |
| Current assets | | | |
| Inventories | 8 | - | - |
| Financial assets | | | |
| (i) Investments | 9 | 6,942.50 | 8,286.06 |
| (ii) Trade receivables | 10 | 1,400.74 | 2,022.33 |
| (iii) Cash and cash equivalents | 11.1 | 89.66 | 3.02 |
| (iv) Other bank balances | 11.2 | 2,586.23 | 2,574.79 |
| (vi) Service concession arrangement | 3 | 1,859.30 | 1,704.89 |
| (vi) Other financial assets | 4 | 309.56 | 5,239.01 |
| Other current assets | 7 | 1,115.81 | 657.95 |
| | | 14,303.80 | 20,488.05 |
| Total assets | | 93,332.08 | 1,01,396.62 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 12 | 46,800.00 | 46,800.00 |
| Other equity | 13 | 41,883.55 | 50,178.99 |
| Total equity | | 88,683.55 | 96,978.99 |
| Non-current Liabilities | | | |
| Financial Liabilities | | | |
| (i) Lease liability | 14 | 800.10 | 728.29 |
| Provisions | 15 | 237.40 | 191.19 |
| | | 1,037.50 | 919.48 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Trade payables | 17 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 283.03 | 264.79 |
| Total outstanding dues of trade Payables other than micro enterprises and small | | 300.75 | 290.94 |
| | | 583.78 | 555.73 |
| (ii) Other financial liabilities | 18 | 22.90 | 4.31 |
| (iii) Lease liability | 14 | 752.91 | 752.91 |
| Provisions | 15 | 40.18 | 37.10 |
| Other current liabilities | 19 | 2,211.26 | 2,148.11 |
| Total current liabilities | | 3,611.03 | 3,498.16 |
| Total liabilities | | 4,648.53 | 4,417.63 |
| Total equity and liabilities | | 93,332.08 | 1,01,396.62 |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batilboi & Co. LLP
Chartered Accountants
Firm Registration No-301003E/E300005


per Nikhil Gupta
Partner

Membership No: 517577
Place: Gurugram
Date: 16 April 2025



For and on behalf of the Board of Directors


Manju Gupta
Director


Vishwas Surange
Chief Executive Officer
& Executive Director

DIN: 08820741
Place: Noida

DIN: 10356760
Place: Noida


Avinash Chander Dhawan
Chief Financial Officer


Ajay Kalsie
Company Secretary

Place: Noida
Date: 16 April 2025

Membership No: A-13810
Place: Noida
Date: 16 April 2025



Powerlinks Transmission Limited
Statement of Profit and Loss for the year ended 31 March 2025
CIN:U40105DL2001PLC110714

| | Notes | Period ended | Period ended |
|---|-------|------------------|------------------|
| | | 31 March 2025 | 31 March 2024 |
| | | INR lacs | INR lacs |
| Revenue from Operations | 20 | 12,251.23 | 12,676.06 |
| Other Income | 21 | 1,018.84 | 1,278.28 |
| Total Income | | 13,270.07 | 13,954.34 |
| Expenses | | | |
| Employee benefits expense | 22 | 1,045.83 | 1,156.47 |
| Finance costs | 23 | 78.38 | 80.08 |
| Depreciation and Amortisation Expenses | 6 | 68.33 | 68.31 |
| Other expenses | 24 | 869.67 | 824.58 |
| Total expenses | | 2,062.21 | 2,129.44 |
| Profit before tax | | 11,207.86 | 11,824.90 |
| Current tax (MAT) | 16 | 1,958.64 | 2,077.00 |
| Deferred tax charge/(credit) | 16 | 1,372.86 | 1,595.03 |
| Income Tax expense | | 3,331.50 | 3,672.03 |
| Profit for the year | | 7,876.36 | 8,152.87 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit and loss in subsequent periods: | | | |
| Remeasurement gain/(losses) on defined benefit plans | | (32.09) | 31.72 |
| Income tax effect | | 5.82 | (9.24) |
| Net other comprehensive income not to be reclassified to profit or loss in subsequent periods. | | (26.27) | 22.48 |
| Total comprehensive income for the year | | 7,850.09 | 8,175.35 |
| Earnings per equity share (Face Value of shares Rs 10 each) | | | |
| Basic, computed on the basis of profit attributable to equity holders (in Rs.) | 27 | 1.68 | 1.74 |
| Diluted, computed on the basis of profit attributable to equity holders (in Rs.) | | 1.68 | 1.74 |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
Firm Registration No-301003E/E300005


per Nikhil Gupta

Partner
Membership No: 517577
Place: Gurugram
Date: 16 April 2025

For and on behalf of the Board of Directors


Manju Gupta
Director

Place: Noida
DIN: 08820741


Avinash Chander Dhawan
Chief Financial Officer

Place: Noida
Date: 16 April 2025


Vishwas Surange
Chief Executive Officer
& Executive Director

Place: Noida
DIN: 08196580


Ajay Kalsie
Company Secretary
Membership No: A-13810
Place: Noida
Date: 16 April 2025



A. Equity share capital

| Equity shares of INR 10/- each issued, subscribed, and fully paid. | No. of Shares | Amount in lacs |
|--|---------------|----------------|
| At 1 April 2023 | 46,80,00,000 | 46,800 |
| Issue of equity shares during the Period | - | - |
| At 31st March 2024 | 46,80,00,000 | 46,800 |
| At 1 April 2024 | 46,80,00,000 | 46,800 |
| Issue of equity shares during the period | - | - |
| At 31st March 2025 | 46,80,00,000 | 46,800 |

b. Other Equity

Amount in lacs

For the year ended 31 March 2025

| Description | Reserves and Surplus | | | Total |
|---|----------------------|------------------------|-------------------|-------------|
| | General Reserve | Self Insurance Reserve | Retained Earnings | |
| Balance as at 01 April 2023 (A) | 7,883.00 | 2,382.82 | 39,693.85 | 49,959.67 |
| Profit for the year | - | - | 8,152.85 | 8,152.85 |
| Other Comprehensive Income/(Expense) for the year (net of tax) | - | - | 22.48 | 22.48 |
| Total Comprehensive Income (B) | 7,883.00 | 2,382.82 | 47,869.18 | 58,135.00 |
| Transferred to Self insurance reserve (refer Note 13.2) | - | 153.51 | (153.51) | - |
| Less: Payment of final dividends on equity shares (refer Note 13.3) | - | - | (1,872.00) | (1,872.00) |
| Less: Payment of interim dividends on equity shares (refer Note 13.3) | - | - | (6,084.00) | (6,084.00) |
| Total (C) | - | 153.51 | (8,109.51) | (7,956.00) |
| Balance as at 31 March 2024 (A+B+C) | 7,883.00 | 2,536.33 | 39,759.67 | 50,179.00 |
| Balance as at 01 April 2024 | 7,883.00 | 2,536.33 | 39,759.67 | 50,179.00 |
| Profit for the year | - | - | 7,876.36 | 7,876.36 |
| Other Comprehensive Income/(Expense) for the year (net of tax) | - | - | (26.27) | (26.27) |
| Total Comprehensive Income | 7,883.00 | 2,536.33 | 47,609.76 | 58,029.09 |
| Transferred to Self Insurance Reserve (refer Note 13.2) | - | 153.51 | (153.51) | - |
| Less: Payment of final dividends on equity shares (refer Note 13.3) | - | - | (10,296.00) | (10,296.00) |
| Less: Payment of interim dividends on equity shares (refer Note 13.3) | - | - | (5,850.00) | (5,850.00) |
| Balance as at 31 March 2025 | 7,883.00 | 2,689.84 | 31,310.25 | 41,883.09 |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP
Chartered Accountants
Firm Registration No-301003E/E300005


per Nishil Gupta
Partner

Membership No: 517577
Place: Gurugram
Date: 16 April 2025



For and on behalf of the Board of Directors


Manju Gupta
Director

DIN: 08820741
Place: Noida


Avinash Chander Dhawan
Chief Financial Officer

Place: Noida
Date: 16 April 2025



Vishwas Surange
Chief Executive Officer
& Executive Director
DIN: 10356760
Place: Noida



Ajay Kalsie
Company Secretary
Membership No: A-13810
Place: Noida
Date: 16 April 2025



Powerlinks Transmission Limited
Statement of Cash Flows for the year ended 31 March 2025
CIN:U40105DL2001PLC110714

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|---|-------------------------------|-------------------------------|
| | INR Lacs | INR Lacs |
| Operating activities | | |
| Profit before tax from continuing operations | 11,207.86 | 11,824.88 |
| Adjustment to reconcile profit before tax to net cash flows: | | |
| Depreciation and amortisation expense | 68.33 | 68.31 |
| Finance cost | 78.38 | 80.10 |
| Interest income | (322.94) | (284.36) |
| Change in fair value of mutual fund investments | (673.84) | (955.38) |
| Provision for slow moving Inventory | - | 33.07 |
| Miscellaneous Income | (14.52) | (38.54) |
| Working capital adjustments: | | |
| Decrease in Inventory | - | 138.00 |
| Decrease in Trade receivable | 769.56 | 341.90 |
| Decrease in Service Concession Arrangement | 170.92 | 514.64 |
| (Increase) in Other financial asset | (65.59) | (71.07) |
| (Increase) in Other current assets | (457.86) | (494.88) |
| Increase in Trade payable | 28.05 | 194.14 |
| Increase in Other current liabilities | 63.16 | 609.55 |
| Increase in provisions | 17.20 | 57.52 |
| Increase in Other Financial Liabilities | 18.59 | 4.31 |
| | 10,887.23 | 12,022.20 |
| Income tax paid | (1,972.17) | (2,170.01) |
| Net cash flows from operating activities | 8,915.06 | 9,852.19 |
| Investing activities | | |
| Purchase of Investment in Mutual funds | (43,552.00) | (31,520.16) |
| Sale proceeds from investments in mutual Funds | 45,569.60 | 34,496.08 |
| Interest received | 317.98 | 259.76 |
| Investment in fixed deposit | (11.44) | (149.37) |
| Inter-Corporate Deposit | 5,000.00 | (5,000) |
| Net cash flows from/(used in) investing activities | 7,324.14 | (1,913.69) |
| Financing activities | | |
| Finance costs | (6.56) | (6.65) |
| Dividends paid | (16,146.00) | (7,956.00) |
| Net cash flows (used in) financing activities | (16,152.56) | (7,962.65) |
| Net decrease in cash and cash equivalents | 86.64 | (24.15) |
| Cash and cash equivalents at the beginning of the year | 3.02 | 27.17 |
| Cash and cash equivalents at the year end | 89.66 | 3.02 |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP
Chartered Accountants
ICAI Firm Reg no-301003E/E300005



per Nikhil Gupta
Partner
Membership No: 517577
Place: Gurugram
Date: 16 April 2025



For and on behalf of the Board of Directors

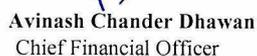


Manju Gupta

Director

DIN: 08820741

Place: Noida



Avinash Chander Dhawan
Chief Financial Officer

Place: Noida

Date: 16 April 2025



Vishwas Surange

Chief Executive Officer

& Executive Director

DIN: 10356760

Place: Noida



Ajay Kalsie
Company Secretary

Membership No: 13810

Place: Noida

Date: 16 April 2025

1 Corporate Information

POWERLINKS TRANSMISSION LIMITED ("the Company"), has been set up pursuant to an agreement entered into between The Tata Power Company Limited and Power Grid Corporation of India Limited (POWERGRID) with 51% and 49% shareholding respectively, to construct, operate and maintain 1,166 Kilometres 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. 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 is a public limited company incorporated and domiciled in India and has its registered office at 10th Floor, DLF Tower A, District Centre Jasola, New Delhi 110025, India.

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.

2. Material Accounting Policies :

2.1 Statement of compliance

The Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the companies (Indian Accounting Standards) Rules . 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

2.2 Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

a) Certain financial assets measured at fair value.

The financial statements are presented in Indian Rupees (₹) and all amounts are in Laes unless otherwise stated.

2.3 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of service concession arrangement, valuation of deferred tax assets, provision for employee benefits and determination of the lease terms of contracts with renewal and termination option.

2.4 Financial instruments

Financial assets and financial liabilities are recognised when the Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



2.5 Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.5.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments in fair value through Profit or loss category are measured at fair value with all changes recognised in Profit and loss.

2.5.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.5.3 Financial assets at Fair Value Through Profit or Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other income" line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.5.4 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.5.5 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset other than in its entirety, On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.



2.6 Financial liabilities and equity instruments

2.6.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.6.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.6.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

2.6.3.1 Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

2.6.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

2.6.3.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments'; and
- (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 'Revenue'

2.6.3.4 Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

2.7 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.8 Rounding off policy

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest Laacs as per the requirement to Schedule III of the Companies Act, 2013, unless otherwise stated.



2.9 Operating cycle

Considering the nature of business activities, the operating cycle has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

2.10 Critical accounting judgement and key sources of estimation uncertainty

2.10.1 In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

a) Estimation of current tax and deferred tax expense- Note 16

b) Estimation of defined benefit obligation-

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables.

c) Pursuant to application of Ind AS 115, Appendix D "Service Concession Arrangement", the Company has followed the financial assets model for recognition and measurement of Service Concession Receivables. The Company has calculated Service Concession Receivables based on future cash flow from the project. In the Service Concession Receivables the Company has calculated the IRR based on the cash flow recovery from the project and initial investments. The model has been built based on the norms for Tariff allowed by Central Regulatory Commission in CERC (Terms and condition of tariff) Regulations 2014. Further since the contract is extendable by 5 years and as per CERC order and the Company is entitled to post tax return on its investment, cash flows have been prepared accordingly for a period of 30 years. - Note 20.1, Note 20.3 & Note 3.

d) Estimation of MAT recoverability- Note 16

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

e) Determining the lease term of contracts with renewal and termination options -as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Company included the renewal period as part of the lease term for leases of right of use for way leave (refer note 14)



3. Service concession arrangement

| | As at 31 March 2025 | As at 31 March 2024 |
|--------------------------------|------------------------|------------------------|
| | INR lacs | INR lacs |
| Non-current | | |
| Service concession arrangement | 72,622.16 | 72,947.49 |
| | 72,622.16 | 72,947.49 |
| Current | | |
| Service concession arrangement | 1,859.30 | 1,704.89 |
| | 1,859.30 | 1,704.89 |

The Company was set up to construct, operate and maintain 1,116 Kilometres of five 400 KV Double Circuit Transmission Line and 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. The Company entered in to the Transmission Service Agreement with Power Grid Corporation of India Limited ("POWERGRID"), JV partner dated 29th March, 2004. 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 exclusively to POWERGRID.

POWERGRID has right to purchase all the assets of the Company required to operate the project including land, buildings, plant and equipment, spare parts, records, drawings and all other consumables. The period of concession is 25 years from the date of transmission license, which is further extendable up to 30 years. The tariff for transmission charges and additional expenditure for assets under Service concession arrangement are subject to the approval by Central Electricity Regulatory Commission.

Pursuant to application of Ind AS 115, Appendix D "Service Concession Arrangements" the property, plant and equipment of the Company under the previous GAAP have been derecognised and fair value of future cash flows receivables under the above said project is recognised initially under financial assets as Service Concession Arrangement and subsequently recognised at amortised cost.

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| | INR lacs | INR lacs |
| 4. Other financial assets | | |
| Non-current | | |
| Unsecured, considered good | | |
| Security deposits | 36.93 | 36.86 |
| | 36.93 | 36.86 |
| Current | | |
| Interest accrued on bank deposits | 117.64 | 112.68 |
| Security deposits | 0.08 | 0.08 |
| Loan and Advances (refer Note 31) | - | 5,000.00 |
| Interest accrued on Loan and Advances (refer Note 31) | - | 10.34 |
| SOC receivables | 191.84 | 115.91 |
| | 309.56 | 5,239.01 |

5. Income Tax Assets (Net)

| | | |
|-------------------------|---------------|---------------|
| Income Tax Assets (Net) | 348.03 | 334.25 |
| | 348.03 | 334.25 |



Powerlinks Transmission Limited

Notes to the financial statements for the year ended March 31, 2025

6. Right of use assets

The Company has lease contracts for various items of right of use for way leave, vehicles and premises used in its operations. Leases of right of use for way leave generally have lease terms between 10 and 35 years.

The following are the amounts recognised in statement of Profit and Loss :

| Particulars | For the period ended March 31, 2025 | For the period ended March 31, 2024 |
|---------------------------------------|--|--|
| Depreciation of Right-of-use assets | 68.33 | 68.31 |
| Interest on lease liabilities | 71.81 | 73.45 |
| Expenses related to short term leases | 48.64 | 48.64 |

INR lacs

| Description | Leasehold land | Total |
|--|----------------|---------------|
| Cost | | |
| Balance as at 1st April, 2024 | 944.81 | 944.81 |
| Additions | - | - |
| Balance as at 31st March, 2025 | 944.81 | 944.81 |
| Accumulated depreciation and impairment | | |
| Balance as at 1st April, 2024 | 344.18 | 344.18 |
| Depreciation expense | 68.33 | 68.33 |
| Balance as at 31st March, 2025 | 412.51 | 412.51 |
| Net carrying amount | | |
| As at 31st March, 2025 | 532.30 | 532.30 |

INR lacs

| Description | Leasehold land | Total |
|--|----------------|---------------|
| Cost | | |
| Balance as at 1st April, 2023 | 944.81 | 944.81 |
| Additions | - | - |
| Balance as at 31st March, 2024 | 944.81 | 944.81 |
| Accumulated depreciation and impairment | | |
| Balance as at 1st April, 2023 | 275.87 | 275.87 |
| Depreciation expense | 68.31 | 68.31 |
| Balance as at 31st March, 2024 | 344.18 | 344.18 |
| Net carrying amount | | |
| As at 31st March, 2024 | 600.63 | 600.63 |



Powerlinks Transmission Limited
Notes to the financial statements for the period ended March 31, 2025

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | INR lacs | INR lacs |
| 7. Other assets | | |
| Non-Current | | |
| Unsecured, considered good | | |
| Balances with government authorities* | 8.18 | 8.18 |
| Security deposit | 0.25 | 0.25 |
| | 8.43 | 8.43 |
| *Deposit under protest with Commercial Trade Tax Authority-Lucknow (Refer Note 28) | | |
| Current | | |
| Balances with government authorities | 10.35 | 4.91 |
| Advances to vendors | 25.92 | 48.36 |
| Advance from Customer- Customer project Orders (Refer Note 20.3) | 1,010.67 | 602.58 |
| Other Advances | 68.87 | 2.10 |
| | 1,115.81 | 657.95 |

8. Inventories

Accounting Policy

Inventories comprises mainly stores and spares and valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes octroi, other levies, transit insurance and receiving charges.

Net realisable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make sales.

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | INR lacs | INR lacs |
| Stores and spares (lower of cost and net realisable value) | 33.07 | 33.07 |
| Less: Provision for Diminution -Inventory | (33.07) | (33.07) |
| | - | - |



| | As at | As at | As at | As at |
|--|---------------|-----------------|---------------|-----------------|
| | 31 March 2025 | 31 March 2025 | 31 March 2024 | 31 March 2024 |
| | Units | INR lacs | Units | INR lacs |
| 9. Current Investments | | | | |
| (i) Investments carried at fair value through profit and loss | | | | |
| Mutual Funds (Unquoted) | | | | |
| a. Axis Liquid Fund - Growth | - | - | 95,958.33 | 2,575.25 |
| b. Edelweiss Liquid Fund - Direct - Growth | 77,280.01 | 2,590.27 | 80,067.50 | 2,496.85 |
| c. SBI Liquid Fund Direct Growth | 45,458.94 | 1,844.13 | 16,930.18 | 640.00 |
| d. Parag Parikh Liquid Fund - Dir - Growth | 1,74,622.37 | 2,508.00 | - | - |
| e. Mirae Asset Cash Management Fund - Dir - Growth | - | - | 1,00,927.84 | 2,573.96 |
| Total current investments | | 6,942.50 | | 8,286.06 |
| Aggregate carrying value of unquoted investments | | 6,942.50 | | 8,286.06 |

| | As at | As at |
|--|-----------------|-----------------|
| | 31 March 2025 | 31 March 2024 |
| | INR lacs | INR lacs |
| 10. Trade Receivables | | |
| Non-Current Trade Receivables | | |
| Unsecured Considered good | 960.01 | 1093.46 |
| Unsecured considered doubtful | - | - |
| | 960.01 | 1,093.46 |
| Less: Allowance for doubtful trade receivables | - | - |
| | 960.01 | 1,093.46 |
| (Unsecured unless otherwise stated) | | |
| Current Trade Receivables | | |
| Considered good | 1,400.74 | 2,022.33 |
| Considered doubtful | 292.33 | 306.85 |
| | 1,693.07 | 2,329.18 |
| Less: Allowance for doubtful trade receivables | 292.33 | 306.85 |
| | 1,400.74 | 2,022.33 |

Trade Receivables Ageing schedule as at 31 March , 2025

| Particulars | Outstanding for following periods from due date of payment # | | | | | | | Total |
|---|--|---------------|--------------------|------------------|---------------|-----------|-------------------|-----------------|
| | Unbilled | Not Due | Less than 6 Months | 6 months- 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| (i) Undisputed Trade Receivables | | | | | | | | |
| a) Considered good | 925.98 | 960.01 | 296.21 | 174.72 | 3.83 | - | - | 2,360.75 |
| b) Significant increase in credit risk | - | - | - | - | - | - | - | - |
| (ii) Disputed Trade Receivables | | | | | | | | |
| a) Considered good | - | - | - | - | - | - | - | - |
| b) Significant increase in credit risk | - | - | - | - | 292.33 | - | - | 292.33 |
| Total | 925.98 | 960.01 | 296.21 | 174.72 | 296.16 | - | - | 2,653.08 |

Trade Receivables Ageing schedule as at 31 March , 2024

| Particulars | Outstanding for following periods from due date of payment # | | | | | | | Total |
|---|--|-----------------|--------------------|------------------|---------------|-----------|-------------------|-----------------|
| | Unbilled | Not Due | Less than 6 Months | 6 months- 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| (i) Undisputed Trade Receivables | | | | | | | | |
| a) Considered good | 1,179.38 | 1,093.46 | 719.03 | 122.02 | 1.90 | - | - | 3,115.79 |
| b) Significant increase in credit risk | - | - | - | - | - | - | - | - |
| (ii) Disputed Trade Receivables | | | | | | | | |
| a) Considered good | - | - | - | - | - | - | - | - |
| b) Significant increase in credit risk | - | - | - | - | 306.85 | - | - | 306.85 |
| Total | 1,179.38 | 1,093.46 | 719.03 | 122.02 | 308.75 | - | - | 3,422.64 |

Notes

- The Company sells its entire transmission capacity to POWERGRID in terms of an exclusive Transmission service agreement dated 29 March 2004.
- The average credit period is 45 days
- Non-Current Trade receivables includes not due amount pertains to way leave charges recovery, TDS deducted by Discoms and amount due for beneficiaries opted instalment scheme.



Powerlinks Transmission Limited
Notes to the financial statements for the period ended March 31, 2025

11.1 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage & demand deposit with bank.

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| | INR lacs | INR lacs |
| Balances with Banks: | | |
| - in current accounts | 89.66 | 3.02 |
| Cash and Cash Equivalents as per Balance Sheet | 89.66 | 3.02 |

11.2 Other Bank Balances

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| | INR lacs | INR lacs |
| Balances with banks | | |
| - in Deposit Accounts | 2,586.23 | 2,574.79 |
| Other Bank Balances as per Balance Sheet | 2,586.23 | 2,574.79 |



12 Equity share capital

| | As at 31 March 2025 | | As at 31 March 2024 | |
|--|---------------------|------------------|---------------------|------------------|
| | Number | INR lacs | Number | INR lacs |
| Authorised share capital | | | | |
| Equity shares of Rs. 10 (previous year Rs. 10) each with voting rights | 48,36,00,000 | 48,360.00 | 48,36,00,000 | 48,360.00 |
| Issued share capital | | | | |
| Equity shares of Rs. 10 (previous year Rs. 10) each with voting rights | 46,80,00,000 | 46,800.00 | 46,80,00,000 | 46,800.00 |
| Subscribed and fully paid up | | | | |
| Equity shares of Rs. 10 (previous year Rs. 10) each with voting rights | 46,80,00,000 | 46,800.00 | 46,80,00,000 | 46,800.00 |
| | | 46,800.00 | | 46,800.00 |

See notes (i) to (ii) 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 March 2025 | | As at 31 March 2024 | |
|--|-----------------------|---------------|-----------------------|---------------|
| | Number of shares held | % holding | Number of shares held | % holding |
| Equity shares with voting rights | | | | |
| The Tata Power Company Limited (Joint Venturer) | 23,86,79,997 | 51.00 | 23,86,79,997 | 51.00 |
| The Tata Power Company Limited and individuals jointly | 3 | | 3 | |
| Power Grid Corporation of India Limited (Joint Venturer) | 22,93,19,997 | 49.00 | 22,93,19,997 | 49.00 |
| Individuals of Power Grid Corporation of India Limited | 3 | | 3 | |
| | 46,80,00,000 | 100.00 | 46,80,00,000 | 100.00 |

(iii) Shareholding of Promoters

| Shares held by promoters at the end of the year | | | | % Change during |
|---|---|---------------|-------------------|-----------------|
| Sl No | Promoter name | No. of shares | % of total shares | |
| 1 | The Tata Power Company Limited | 23,86,79,997 | 51 | Nil |
| 2 | Power Grid Corporation of India Limited | 22,93,19,997 | 49 | Nil |



| | As at 31 March 2025 | As at 31 March 2024 |
|--------------------------------------|------------------------|------------------------|
| | INR lacs | INR lacs |
| 13 Other Equity | | |
| 13.1 General Reserve | | |
| Balance at the beginning of the year | 7,883.00 | 7,883.00 |
| Balance at the end of the year (A) | 7,883.00 | 7,883.00 |

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

| | | |
|--|----------|----------|
| 13.2 Self insurance reserve | | |
| Balance at the beginning of the year | 2,536.32 | 2,382.82 |
| Add: Amount transferred from retained earnings | 153.51 | 153.51 |
| Balance at the end of the year (B) | 2,689.83 | 2,536.32 |

Self insurance reserve is created at the rate of 0.10% 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.

| | | |
|---|------------------|------------------|
| 13.3 Retained Earnings | | |
| Balance at the beginning of the year | 39,759.67 | 39,693.85 |
| Add: Other comprehensive income/(expense) arising from remeasurement of defined benefit obligation (net of tax) | (26.27) | 22.48 |
| Profit for the year | 7,876.36 | 8,152.85 |
| Less: | | |
| - Payment of interim dividends on equity shares | 5,850.00 | 6,084.00 |
| - Payment of final dividends on equity shares | 10,296.00 | 1,872.00 |
| - Transferred to self insurance reserve (Refer Note 13.2) | 153.51 | 153.51 |
| | (8,449.42) | 65.82 |
| Balance at the end of the year (C) | 31,310.25 | 39,759.67 |
| Total (A+B+C) | 41,883.08 | 50,178.99 |

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the requirements of Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety. Detail of dividend paid are as follows:

| Dividend Particulars | 31 March 2025 |
|---|---------------|
| Cash dividend on equity shares declared and paid | |
| Final dividend for the year ended March 31, 2024 (Rs. 2.2 per share) * | 10,296.00 |
| Interim dividend for the year ended March 31, 2025 (Rs. 1.25 per share) * | 5,850.00 |
| | 16,146.00 |
| Particulars | 31 March 2024 |
| Cash dividend on equity shares declared and paid | |
| Final dividend for the year ended March 31, 2023 (Rs. 0.40 per share) * | 1,872.00 |
| Interim dividend for the year ended March 31, 2024 (Rs. 1.30 per share) * | 6,084.00 |
| | 7,956.00 |
| | 15,912.00 |

* Refer Note 31 Related Party Transactions

For the year ended 31 March, 2025, the Board of Directors at its meeting held on April 16th 2025 have proposed a final dividend of Rs.0.75 per share to be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been disclosed as a liability in these financial statements. The total estimated equity dividend to be paid Rs. 3,510 Lacs.(Final Dividend for FY24 Rs.10,296 Lacs).



14. Leases

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee

i) At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities in 'Financial Liabilities' in the Balance Sheet.

ii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

| Lease Liability | As at | As at |
|--------------------------------------|---------------|---------------|
| | 31 March 2025 | 31 March 2024 |
| | INR lacs | INR lacs |
| Balance at the beginning of the year | 1,481.20 | 1,407.75 |
| Additions | - | - |
| Accretion of Interest | 71.81 | 73.45 |
| Payments | - | - |
| Balance at the end of the year | 1,553.01 | 1,481.20 |
| Non-current | 800.10 | 728.29 |
| Current | 752.91 | 752.91 |

The maturity analysis of lease liabilities are disclosed in Note 32.
The effective interest rate for lease liabilities is 8.42 %.

15. Provisions

Accounting Policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured

| | As at | As at |
|--|---------------|---------------|
| | 31 March 2025 | 31 March 2024 |
| | INR lacs | INR lacs |
| Non-current | | |
| Provision for Employee Benefits | | |
| (i) Compensated absences | 123.34 | 110.50 |
| (ii) Gratuity (Net) | 16.14 | - |
| (iii) Post-retirement defined benefit plan | 66.26 | 59.02 |
| (iv) Other employee benefits | 31.66 | 21.67 |
| | 237.40 | 191.19 |
| | | |
| | As at | As at |
| | 31 March 2025 | 31 March 2024 |
| | INR lacs | INR lacs |
| Current | | |
| Provision for Employee Benefits | | |
| (i) Compensated absences | 33.07 | 31.35 |
| (ii) Post-retirement defined benefit plan | 5.28 | 4.07 |
| (iii) Other employee benefits | 1.83 | 1.68 |
| | 40.18 | 37.10 |



POWERLINKS TRANSMISSION LIMITED

Notes to the financial statements for the year ended March 31, 2025

15.1 The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the Statement of Profit and Loss is the total of contributions payable in the year.

15.2 Defined contribution plan

The Company makes contributions 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 and recognised such contribution and shortfall, if any, as an expense in the year it is incurred.

15.3 Defined benefit plan

The Company operates the following funded defined benefit plans:

a) Gratuity Scheme

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of specified no. of day's salary (i.e. last drawn basic salary) for each completed year of service subject to completion of five years' service. The Company contributes to funds administered by Life Insurance Corporation of India.

The Company operates the following unfunded defined benefit plans:

Post Employment Medical Benefits

The Company provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

Ex-Gratia Death Benefits

The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of employee.

Pension

The Company has a defined benefit plan granting a pre-determined sum as a pension after completing vesting period.

15.4 Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are - (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

| | |
|------------------------------------|--|
| Investment risk | The probability or likelihood of occurrence of losses relative to the expected return on any particular investment. |
| Interest risk (discount rate risk) | The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability. |
| Mortality risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. Indian Assured Lives Mortality (2006-08) ultimate table has been used in respect of the above. A change in mortality rate will have a bearing on the plan's liability. |
| Salary risk | The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability. |
| Demographic risk | The Company has used certain mortality and attrition assumption in valuation of the liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumption. |

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2020 by Mr. Ratobrata Sankar, Fellow, Institute of Actuaries of India. The present value of defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

15.5 Principal actuarial assumptions:

| S. No. | Particulars | Refer note below | Year ended 31st March 2025 Gratuity scheme (Funded) | Year ended 31st March 2025 Post retirement defined benefit plan(Non Funded) | Year ended 31st March 2024 Gratuity scheme (Funded) | Year ended 31st March 2024 Post retirement defined benefit plan(Non Funded) |
|--------|--|------------------|--|--|--|--|
| i. | Discount rate (p.a.) | 1 | 6.70% | 7.00% | 7.00% | 7.00% |
| ii. | Expected rate of return on assets (p.a.) | 2 | 7.40% | - | 7.40% | - |
| iii. | Salary escalation rate (p.a.) | 3 | Management- 7%, Non-Management-6% | Management- 7%, Non-Management-6% | Management- 7%, Non-Management-6% | Management- 7%, Non-Management-6% |
| iv. | Expected rate(s) of medical inflation | 4 | - | 8.00% | - | 8.00% |

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.

15.6 Demographic assumptions:

| S. No. | Particulars | 31st March 2025 | 31st March 2024 |
|--------|--------------------------------|---|---|
| 1. | Retirement age | 60 Years | 60 Years |
| 2. | Mortality Table | Indian Assured Lives Mortality (2006-08) modified Ult | Indian Assured Lives Mortality (2006-08) modified Ult |
| 3. | Withdrawal rate (for all ages) | Management -Age 21-44 years-6% 45 Years and above- 2% Non Management 0.5% | Management -Age 21-44 years-6% 45 Years and above- 2% Non Management 0.5% |



15.6.1 Amounts recognised in the Statement of Profit and Loss in respect of these defined benefits plans are as follows:

| S. No. | Particulars | Year ended 31st March 2025 | Year ended 31st March 2025 | Year ended 31st March 2024 | Year ended 31st March 2024 |
|--|-----------------------|----------------------------|--|----------------------------|--|
| | | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) |
| | | (Rs.in Laes) | (Rs.in Laes) | (Rs.in Laes) | (Rs.in Laes) |
| A | Current service cost | 15.88 | 4.62 | 13.13 | 4.39 |
| B | Net interest expenses | (2.25) | 4.42 | (2.64) | 3.92 |
| C | Other adjustment | 0.78 | - | 3.15 | - |
| Components of defined benefit costs recognised in Statement of Profit or Loss | | 14.41 | 9.05 | 13.64 | 8.32 |

15.6.2 Remeasurement on the net defined benefit liability:

| S. No. | Particulars | Year ended 31st March 2025 | Year ended 31st March 2025 | Year ended 31st March 2024 | Year ended 31st March 2024 |
|--|---|----------------------------|--|----------------------------|--|
| | | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) |
| | | (Rs.in Laes) | (Rs.in Laes) | (Rs.in Laes) | (Rs.in Laes) |
| A | Actuarial (gains)/losses due to change in demographic assumptions | - | - | - | - |
| B | Actuarial (gains)/losses due to change in financial assumptions | 4.95 | 2.67 | 3.89 | 2.36 |
| C | Actuarial (gains)/losses due to change in experience variance | (37.73) | (3.25) | (24.65) | (1.02) |
| D | Return on plan assets | (9.33) | - | (12.29) | - |
| Component of defined benefit costs recognised in Other Comprehensive Income | | (42.10) | (0.59) | (33.05) | 1.33 |

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in the other comprehensive income.

15.6.3 The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefits plans as follows:

| S. No. | Particulars | Gratuity Scheme (Funded) | |
|--------------------------------|---|--------------------------|------------------|
| | | As at 31.03.2025 | As at 31.03.2024 |
| | | (Rs. / Laes) | (Rs. / Laes) |
| A | Present value of defined benefit obligation | 277.63 | 202.20 |
| B | Fair value of plan assets | 261.50 | 235.68 |
| Funded status (deficit) | | (16.13) | 33.48 |

| S. No. | Particulars | Post retirement defined benefit plan(Non Funded) | |
|--|---|--|------------------|
| | | As at 31.03.2025 | As at 31.03.2024 |
| | | (Rs in Laes) | (Rs in Laes) |
| A | Present value of defined benefit obligation | (71.54) | (63.09) |
| Net defined benefit asset/(liability) | | (71.54) | (63.09) |

15.6.4 Movement in the fair value of the defined benefit obligation:

| S. No. | Particulars | Gratuity Scheme (Funded) | |
|--|-------------------------------------|--------------------------|-----------------------|
| | | Year ended 31.03.2025 | Year ended 31.03.2024 |
| | | (Rs. / Laes) | (Rs. / Laes) |
| A | Opening defined benefit obligation | 202.19 | 172.07 |
| B | Current service cost | 15.88 | 13.13 |
| C | Interest cost | 14.25 | 12.56 |
| D | Actuarial (gain)/loss on obligation | 42.68 | (20.76) |
| E | Benefits paid | -0.67 | - |
| F | Acquisition adjustment | 3.30 | 25.20 |
| Closing defined benefit obligations (A+B+C+D+E+F) | | 277.63 | 202.19 |

15.6.5 Movement in the fair value of the plan assets are as follows:

| S. No. | Particulars | Gratuity Scheme (Funded) | |
|--|---|--------------------------|-----------------------|
| | | Year ended 31.03.2025 | Year ended 31.03.2024 |
| | | (Rs. / Laes) | (Rs. / Laes) |
| A | Opening fair value of plan assets | 235.68 | 208.18 |
| B | Actual return on plan assets | 16.50 | 15.20 |
| C | Employer's contributions | - | - |
| D | Return on plan assets greater/(lesser) than discount rate | 9.33 | 12.29 |
| E | Benefits paid | - | - |
| F | Actuarial gain / (loss) | - | - |
| Closing fair value of plan assets (A+B+C+D+E+F) | | 261.50 | 235.68 |

The plan assets of the Company managed through a trust are managed by Life Insurance Corporation ("LIC") of India. The details of investments relating to these assets are not shown by LIC. Hence, the composition of each major category of plan assets, the percentage or amount that each major category constitutes to the fair value of the total plan assets has not been disclosed.



15.6.6 Movement in the fair value of the defined benefit obligation:

| | | Other Employee benefits (Non Funded) | |
|--------|-------------------------------------|--|--|
| S. No. | Particulars | Year ended 31st March 2025 (Rs in Lacs) | Year ended 31st March 2024 (Rs in Lacs) |
| A. | Opening defined benefit obligation | (63.09) | (54.02) |
| B. | Current service cost | (4.62) | (4.39) |
| C. | Interest cost | (4.42) | (3.92) |
| D. | Actuarial (gain)/loss on obligation | 0.59 | (1.33) |
| E. | Benefits paid | - | 0.58 |
| F. | Acquisition adjustment | - | - |
| | | <u>(71.54)</u> | <u>(63.09)</u> |

15.6.7 Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

| Particulars | Increase in assumption | | Decrease in assumption | | Increase in assumption | | Decrease in assumption | |
|--|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|
| | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) |
| | As at 31st March 2025 (Rs in Lacs) | | As at 31st March 2025 (Rs in Lacs) | | As at 31st March 2024 (Rs in Lacs) | | As at 31st March 2024 (Rs in Lacs) | |
| | (Decrease)/Increase | (Decrease)/Increase | (Decrease)/Increase | (Decrease)/Increase | (Decrease)/Increase | (Decrease)/Increase | (Decrease)/Increase | (Decrease)/Increase |
| Discount Rate (-/+0.5%) (% change compared to base due to sensitivity) | (8.15) | (3.58) | 8.69 | 4.09 | (6.40) | (3.18) | 6.83 | 3.63 |
| Salary Growth Rate (-/+0.5%) (% change compared to base due to sensitivity) | 8.63 | - | (8.17) | - | 6.80 | - | (6.43) | - |
| Attrition Rate (-/+ 5% of attrition rates) (% change compared to base due to sensitivity) | (2.80) | (8.27) | - | - | (2.16) | (7.69) | - | - |
| Mortality Rate (+/- 1 year) (% change compared to base due to sensitivity) | - | 2.04 | - | (1.99) | - | 1.76 | - | (1.73) |
| Medical inflation rate(+/- 0.5%) | - | 3.92 | - | (3.48) | - | 3.50 | - | (3.10) |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

15.6.8 The expected maturity analysis of defined benefit obligation is as follows:

| Expected cash flows over the next | Year ended 31st March 2025 | Year ended 31st March 2025 | Year ended 31st March 2024 | Year ended 31st March 2024 |
|-----------------------------------|----------------------------|--|--|--|
| | Gratuity scheme (Funded) | Post retirement defined benefit plan(Non Funded) | Gratuity scheme (Funded) Rs in lacs | Post retirement defined benefit plan(Non Funded) |
| 1 year | 12.02 | 5.46 | 7.67 | 4.21 |
| 2 to 5 years | 223.83 | 22.58 | 164.67 | 22.58 |
| 6 to 10 years | 57.33 | 26.39 | 62.52 | 26.39 |
| More than 10 years | - | - | - | - |

The average duration of the (Gratuity) defined benefit plan obligation at the end of the reporting period is 7.50 years. (31 March, 2023: 7.4 years)
The average duration of the (PRMB) defined benefit plan obligation at the end of the reporting period is 17 years. (31 March, 2023: 16.81 years)

15.6.9 Actuarial assumptions for compensated absences

| S. No. | Particulars | Refer note below | As at 31st March 2025 | As at 31st March 2024 |
|--------|--|------------------|----------------------------------|----------------------------------|
| i | Discount rate (p.a.) | 1 | 6.70% | 7.00% |
| ii | Expected rate of return on assets (p.a.) | 2 | 7.40% | 7.40% |
| ii | Salary escalation rate (p.a.) | 3 | Management-7%, Non-Management-6% | Management-7%, Non-Management-6% |

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 compensated absences plan is unfunded.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.



16. Deferred Tax Asset/ (Liabilities) (net)

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

| Particulars | As at | As at |
|--|---------------|---------------|
| | 31 March 2025 | 31 March 2024 |
| | INR lacs | INR lacs |
| MAT credit entitlement | 22,842.39 | 24,114.70 |
| Deferred tax liabilities | (18,321.97) | (18,227.25) |
| Net Deferred tax Asset / (liabilities) | 4,520.42 | 5,887.45 |

| Particulars | Balance as at 01 April | Recognised in Profit | Balance as at |
|---|------------------------|----------------------|---------------|
| | 2024 | or Loss | 31 March 2025 |
| Deferred tax assets/(liabilities) in relation to | | | |
| Service concession arrangement and others | (18,227.25) | (94.72) | (18,321.97) |
| MAT credit entitlement | 24,114.70 | (1,272.31) | 22,842.39 |
| | 5,887.45 | (1,367.03) | 4,520.42 |

| Particulars | Balance as at 01 April | Recognised in Profit | Balance as at |
|---|------------------------|----------------------|---------------|
| | 2023 | or Loss | 31 March 2024 |
| Deferred tax (liabilities) / assets in relation to | | | |
| Service concession arrangement and others | (18,102.22) | (125.03) | (18,227.25) |
| MAT credit entitlement | 25,584.70 | (1,470.00) | 24,114.70 |
| | 7,482.48 | (1,595.03) | 5,887.45 |

- Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- Deferred tax liabilities includes difference between carrying value of Service Concession Arrangement and tax base of Property, plant and equipment as at the year end.
- As on March 31,2025 Company has MAT credit entitlement aggregating to Rs 22,842.38 lacs (March 31, 2024 : Rs.24,114.70 lacs). For the purpose of ascertaining the recoverability of MAT credit , projections for future taxable profits are prepared and evaluated by the management at the end of each reporting period.



Income taxes

Accounting Policy

Income tax expense represents the sum of the tax currently payable and deferred tax.

16.1 Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

| | Year ended 31 March 2025 (INR Lacs) | Year ended 31 March 2024 (INR Lacs) |
|---|---|---|
| Income taxes | | |
| Income taxes recognised in profit & loss | | |
| Current tax | | |
| In respect of current year | 1,958.64 | 2,077.00 |
| | 1,959.04 | 2,077.00 |
| Deferred tax (credit)/expense | | |
| a) In respect of temporary differences | 94.72 | 125.03 |
| b) MAT credit entitlement | | |
| -In respect of Current year | 1,272.32 | 1,470.00 |
| | 1,367.04 | 1,595.03 |
| Total income tax expense/(credit) recognised | 3,326.08 | 3,672.03 |

The income tax expense for the year can be reconciled to the accounting profit as follows:

| | Year ended 31 March 2025 (INR Lacs) | Year ended 31 March 2024 (INR Lacs) |
|---|---|---|
| Profit before tax | 11,207.86 | 11,824.90 |
| Statutory Income tax | 29.120% | 29.120% |
| Tax at statutory income tax rate | 3,263.73 | 3,443.41 |
| Add: Effect of expenses that are not deductible in determining taxable profit | 67.77 | 68.50 |
| Less: Other tax adjustment | - | 160.12 |
| Income tax expense recognised in the statement of profit or loss | 3,331.50 | 3,672.03 |

The tax rate used for the financial years 2024-25 and 2023-24 is corporate tax rate of 29.12%. Reconciliations above is the corporate tax payable by corporate entities in India on taxable profits under the Indian tax law.

Income tax recognised in other comprehensive income

| | Year ended 31 March 2025 (INR Lacs) | Year ended 31 March 2024 (INR Lacs) |
|---|---|---|
| Current tax | | |
| Arising on Income and expenses recognised in other comprehensive income | | |
| Remeasurements of defined benefit obligation | 5.82 | (9.24) |
| Total income tax recognised in other comprehensive income | 5.82 | (9.24) |

17. Trade payables

| | As at 31 March 2025 INR lacs | As at 31 March 2024 INR lacs |
|--|------------------------------------|------------------------------------|
| Total outstanding dues of micro enterprises and small enterprises | 283.03 | 264.79 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 300.75 | 290.94 |
| | 583.78 | 555.73 |
| Total outstanding dues of Related Party (Refer Note 31) | 101.40 | 62.22 |
| Total outstanding dues of creditors other than Related Party | 482.38 | 493.51 |
| | 583.78 | 555.73 |

Trade Payables Ageing schedule as at 31 March, 2025

| Particulars | Outstanding for following periods from due date of payment # | | | | Total |
|-------------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 years | More than 3 years | |
| (i) MSME | 261.78 | 21.25 | - | - | 283.03 |
| (ii) Others | 242.45 | 0.88 | 2.84 | 54.58 | 300.75 |
| (iii) Disputed dues with MSME | - | - | - | - | - |
| (iv) Disputed dues -others | - | - | - | - | - |

Where due date of payment is not available date of transaction has been considered

Trade Payables Ageing schedule as at 31 March, 2024

| Particulars | Outstanding for following periods from due date of payment # | | | | Total |
|-------------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 Months | 1-2 Years | 2-3 years | More than 3 years | |
| (i) MSME | 264.01 | 0.78 | - | - | 264.79 |
| (ii) Others | 176.02 | 7.36 | 51.85 | 55.71 | 290.94 |
| (iii) Disputed dues with MSME | - | - | - | - | - |
| (iv) Disputed dues -others | - | - | - | - | - |

Where due date of payment is not available date of transaction has been considered

During the year, the Company has reassessed presentation of outstanding employee salaries and wages, which were previously presented under 'Trade Payables' within 'Current Financial Liabilities'. In line with the recent opinion issued by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on the 'Classification and Presentation of Accrued Wages and Salaries to Employees', the Company has concluded that presenting such amounts under 'Other Financial Liabilities', within 'Current Financial Liabilities', results in improved presentation and better reflects the nature of these obligations. Accordingly, amounts aggregating to INR 193.52 Lacs as at March 31, 2025 (INR 274.84 Lacs as at March 31, 2024), previously classified under 'Trade Payables', have been reclassified under the head 'Other Financial Liabilities'. Both line items form part of the main heading 'Financial Liabilities'.

The above changes do not impact recognition and measurement of items in the financial statements, and, consequentially, there is no impact on total equity and/or profit (loss) for the current or any of the earlier periods. Nor there is any material impact on presentation of cash flow statement. Considering the nature of changes, the management believes that they do not have any material impact on the balance sheet at the beginning of the comparative period and, therefore, there is no need for separate presentation of third balance sheet.



| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | INR lacs | INR lacs |
| 18. Other Financial Liabilities | | |
| Current | | |
| Unearned income - to be utilised in future tariff determination | 22.90 | 4.31 |
| | 22.90 | 4.31 |
| | | |
| | As at | As at |
| | 31 March 2025 | 31 March 2024 |
| | INR lacs | INR lacs |
| 19. Other Liabilities | | |
| Current | | |
| Statutory liabilities | 350.60 | 357.09 |
| Advance from Customer- Customer project Orders (Refer Note 20.3) | 1,643.60 | 1,490.32 |
| Other payables | 217.07 | 300.70 |
| | 2,211.27 | 2,148.11 |



20. Revenue from Operations

Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for actual rebates given and other similar allowances.

20.1 Service Concession Arrangement ('SCA')

a. Recognition and measurement

The Company had been set up to construct, operate and maintain 1,116 Kilometres of five 400 KV Double Circuit Transmission Line and 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. These transmission lines and related assets will be transferred to POWERGRID in terms of agreement at the end of the term of contract. 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 from surplus power in Eastern India, which is being transferred to Northern India.

In terms of application of Ind AS 115, Appendix D "Service Concession Arrangement (SCA)", the fair value of future cash flows receivable under the above project have been initially recognised under financial assets as 'Receivables under Service Concession Arrangements' and have been recognised at amortised cost subsequently. The term of the TSA agreement between Power grid Corporation of India Limited and Powerlink Transmission Limited is 25 years and may be extended to 30 years.

With respect to SCA, revenue and costs are allocated between those relating to transmission services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in the concession arrangements is classified as financial asset, based on the nature of the payment entitlements established in the SCA.

b. Contractual obligation to restore the infrastructure to a specified level of serviceability

The Company has contractual obligations to maintain the infrastructure to a specified level of serviceability or to restore the infrastructure to a specified condition before it is handed over to the grantor of the SCA consequent to the right available with the grantor under the transmission service agreement. In case of SCA under financial asset model, such costs are recognised in the period in which such costs are actually incurred.

c. Revenue recognition

Once the infrastructure is in operation, the treatment of income is recognised as Revenue from operations under SCA in accordance with the financial asset model using effective interest method. Revenues from operations and maintenance services and overlay services are recognised in each period as and when services are rendered.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer

d. Borrowing cost

In case of concession arrangement under financial asset model, borrowing costs attributable to construction of the infrastructure is charged to the Statement of Profit and Loss in the period in which such costs are incurred.

20.2 Dividend and interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Revenue in respect of late payment surcharge is recognised as and when recovered because its ultimate collection is uncertain.

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|--|-------------------------------|-------------------------------|
| | INR lacs | INR lacs |
| Revenue from Contracts with Customers | | |
| (i) Income from Service concession arrangement | 12,047.38 | 12,474.42 |
| (ii) Incentive on transmission service charges | 173.47 | 172.50 |
| (Less): Cash discount | (65.19) | (66.69) |
| | <u>12,155.66</u> | <u>12,580.23</u> |
| Other Operating Revenue | | |
| Way leave charges income | 95.57 | 95.83 |
| | <u>95.57</u> | <u>95.83</u> |
| | <u>12,251.23</u> | <u>12,676.06</u> |

Based on the Order dated 2nd November 2021, the Company has revised its billing from FY 22 and CERC has allowed way leave charges to be recovered from beneficiaries.



20.3 Contract Balances

The Company primality earns revenue from transmission service income

Contract Balances

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Contract Assets | | |
| Advance from Customer- Customer project Orders (Refer Note 7) | 1,010.67 | 602.58 |
| | 1,010.67 | 602.58 |
| Contract liabilities | | |
| - Advance from consumers-Customer project orders (Refer Note 19) | 1,643.60 | 1,490.32 |
| - Income received in advance (Refer Note 18) | 22.90 | 4.31 |
| | 1,666.50 | 1,494.63 |
| Receivables | | |
| -Trade Receivables (Gross) (Refer Note 10) | 1,693.07 | 2,329.18 |
| Less : Allowances for doubtful debts | (292.33) | (306.85) |
| | 1,400.74 | 2,022.33 |

Significant changes in the contract assets and the contract liabilities balances during the year/period are as follows

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|----------------------|----------------------|----------------------|
| | Contract Assets | Contract Liabilities | Contract Assets | Contract Liabilities |
| Opening Balance | 602.58 | 1,490.32 | 107.29 | 703.00 |
| Less : Revenue recognized during the year from balance at the beginning of the year | - | - | - | - |
| Add : Advance received during the year not recognized as revenue | - | 153.28 | - | 787.32 |
| Transfer from contract assets to receivables | - | - | - | - |
| Contract liabilities refunded during the year | - | - | - | - |
| Add : Work in progress against the contract Liabilities | 408.09 | - | 495.29 | - |
| Less: Contract assets reversed during the year | - | - | - | - |
| Closing Balance | 1,010.67 | 1,643.60 | 602.58 | 1,490.32 |

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

21. Other Income

Interest Income

| | Period ended 31 March 2025 INR lacs | Period ended 31 March 2024 INR lacs |
|--|---|---|
| Interest on banks deposits | 198.39 | 186.23 |
| Surcharge on late payment received | 43.88 | 85.16 |
| Interest from Inter-corporate Deposits | 80.67 | 10.34 |
| Rent | 7.54 | - |
| Miscellaneous Income | 14.52 | 41.17 |
| | 345.00 | 322.90 |

Gain on Investments

| | | |
|---|-----------------|-----------------|
| Change in fair value of mutual fund investments | 673.84 | 955.38 |
| | 673.84 | 955.38 |
| | 1,018.84 | 1,278.28 |



22. Employee Benefits Expense

22.1 Retirement benefit costs and termination benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
 - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements;
 - Net interest expense or income

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

22.2 Short term and other long-term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of Profit and loss account of the reporting period in which the related service rendered. These benefits includes wages, salaries and performance incentive.

Liabilities recognised in respect of other long-term employee benefits like annual leave and sick leave is provided on the basis of actuarial valuation done by an independent actuary at the reporting period end. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|---|-------------------------------|-------------------------------|
| | INR lacs | INR lacs |
| Salaries and wages | 897.89 | 1,000.71 |
| Contribution to provident fund & other fund | 71.46 | 66.27 |
| Gratuity (Refer Note 15) | 14.41 | 13.64 |
| Staff welfare expenses | 62.07 | 75.85 |
| | 1,045.83 | 1,156.47 |

23. Finance Costs

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|---|-------------------------------|-------------------------------|
| | INR lacs | INR lacs |
| Interest Expense: | | |
| Others | | |
| Interest on lease liabilities (Refer Note 14) | 71.81 | 73.45 |
| Interest - Others | 0.66 | 3.37 |
| | 72.47 | 76.82 |
| Other Borrowing Cost: | | |
| Other finance costs | 5.90 | 3.26 |
| | 5.90 | 3.26 |
| | 78.37 | 80.08 |



Powerlinks Transmission Limited
Notes to the financial statements for the period ended March 31, 2025

| | Period ended 31 March 2025 | Period ended 31 March 2024 |
|---|-------------------------------|-------------------------------|
| | INR lacs | INR lacs |
| 24. Other expenses | | |
| Rent | 48.67 | 22.07 |
| Repairs and maintenance | 87.33 | 38.48 |
| Rates and taxes (refer note A) | 0.29 | 0.24 |
| Insurance | 15.34 | 13.00 |
| Other Operation expenses | 154.26 | 111.90 |
| Travelling and Vehicle Hire Charges | 41.45 | 43.95 |
| Consultants' fees | 70.70 | 37.40 |
| Legal & professional charges | 17.24 | 16.86 |
| Payment to auditors (refer note B) | 32.47 | 21.01 |
| Cost of services procured | 85.89 | 80.18 |
| Corporate social responsibility expenses (refer note C) | 241.00 | 235.00 |
| Penalty to forest department and MCD | - | 89.06 |
| Municipality tax | - | 59.62 |
| System operation charges (SOC) (Refer Note 4) | 191.84 | 115.91 |
| SOC-Recoverable from Beneficiaries | (191.84) | (115.91) |
| Miscellaneous expenses | 75.03 | 22.74 |
| | 869.67 | 824.58 |
| A. Rates and taxes | 30.20 | 30.14 |
| Less: reimbursements received/receivable for application fee and license fee paid | (29.91) | (29.90) |
| | 0.29 | 0.24 |
| B. Payment to auditors (including taxes) | | |
| (a) for Statutory audit | 11.73 | 9.15 |
| (b) for Limited review | 10.47 | 8.09 |
| (b) for Tax audit | 2.28 | 1.86 |
| (c) for Certification fee & Other services | 5.47 | - |
| (d) Reimbursement of expenses | 2.52 | 1.91 |
| | 32.47 | 21.01 |
| C. Corporate social responsibility expenses | | |

a. Gross amount required to be spent by the Company during the year ended 31 March, 2025 Rs. 241.00 lacs (Previous year Rs. 235 lacs).

b. Amount spent during the year ended 31 March, 2025:

| (All amounts are in Rs. / Lacs) | |
|--|----------|
| Particulars | Paid |
| (a) amount required to be spent by the Company | 241.00 |
| | (235.00) |
| (b) Amount of expenditure incurred | 241.00 |
| | (235.00) |
| (c) shortfall at the end of the year | - |
| (d) total of previous year shortfall | - |
| (e) reason for shortfall | - |
| (f) nature of CSR activities | - |
| (g) detail of related party transactions | - |
| (h) where a provision is made with respect to a liability incurred into a contractual obligation, the movement in the provision during the year should be shown separately | - |
| (Note: Figures in brackets pertains to the previous year.) | |

Total amount of Rs. 241 lacs with respect to CSR spent for Skill Development on women, awareness session on Autism, Collaboration with CHC and anganwadis disability program, digital financial literacy for women, health awareness program, mobile health camps, Saksham Divanang program, Strengthening the local community engagement etc.



26 Segment Reporting

The Company had been set up to construct, operate and maintain 1,116 Kilometres of five 400 KV Double Circuit Transmission Line and 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. The Company obtained the Transmission License from CERC for setting up the Project on a BOOT basis and for selling its entire available transmission capacity exclusively to POWERGRID under transmission service agreement.

The Company has determined its operating segment as Transmission Service Income, based on the information reported to the chief operating decision maker (CODM) i.e. Board of Directors in accordance with the requirements of Indian Accounting Standard 108-'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

27 Earnings per share

Accounting Policy

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares.

b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax affect of interest and other financing costs associated with dilutive potential equity shares; and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year ended 31 March 2025.

| Particulars | | Period ended 31 March 2025 | Period ended 31 March 2024 |
|-------------|--|-------------------------------|-------------------------------|
| a. | Profit for the year Lacs | 7,876.36 | 8,152.85 |
| b. | Weighted average number of equity shares used in computing the basic and diluted earnings per share No. of shares | 46,80,00,000.00 | 46,80,00,000.00 |
| c. | Earnings per share basic and diluted Rs. | 1.68 | 1.74 |

28 Contingent liabilities

Accounting Policy

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

| Particulars | As at | |
|---|-----------------|-----------------|
| | 31 March, 2025 | 31 March, 2024 |
| | INR lacs | INR lacs |
| A. Claims against the Company not acknowledged as debts * | | |
| - Disputed demands raised by sales tax authorities [refer (a) below] | 377.29 | 348.39 |
| - Disputed demands raised by income tax authorities [refer (b) below] | 274.73 | 274.73 |
| - others | 413.02 | 413.02 |
| | <u>1,065.04</u> | <u>1,036.14</u> |

* No provision is considered necessary since the Company expects favourable decisions.

(a) The amount represent demand amounting to Rs 160.55 Lacs and interest accruing at rate of 18% p.a. amounting to Rs.187.84 Lacs levied by the office of the Deputy Commissioner, Commercial Taxes (DCCT) for the Financial Year 2004-05 to 2009-10 under section 10A of Central Sales Tax Act. Based on the favourable decision received by the Company in respect of similar matter, the Company shall be taking steps to get this matter disposed off.

(b) Additional Commissioner of Income tax has made additions to income amounting to Rs.1,485 Lacs on account of excess deduction claimed by assessee under Section 80IA of Income Tax Act for AY 2012-13. Company has filed appeal with Commissioner of Income tax (Appeals) and Company is confident that no liability will devolve against it.



Powerlinks Transmission Limited
Notes to the financial statements for the year ended March 31, 2025

29 Commitments

| Particulars | As at | As at |
|---|---------------|---------------|
| | 31 March,2025 | 31 March,2024 |
| | INR lacs | INR lacs |
| a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for | 57.23 | 107.38 |
| b. The Company has other commitments, for purchases/service orders which are issued after considering requirements per operating cycle for purchase / sale of services, in the normal course of business. | | |
| c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses | | |

30 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

| Particulars | As at | As at |
|---|---------------|---------------|
| | 31 March,2025 | 31 March,2024 |
| (a) Principal amount remaining unpaid* | 283.03 | 264.79 |
| (b) Interest due thereon | - | - |
| (c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| (d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 | 0.63 | 3.15 |
| (e) The amount of interest accrued and remaining unpaid at the end of each accounting year | 3.78 | 3.15 |
| (f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | - | - |

It includes amount payable in the nature of capital creditors

* The Principal amount payable to MSME pertains to retention money and other payables which are not due yet. Hence no interest is payable on it.



31 Related party transactions

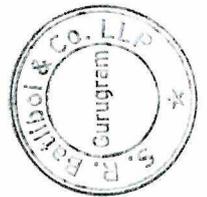
The Company's material related party transactions and outstanding balances are with whom the Company routinely enters into transactions in the ordinary course of business.

a. List of related parties

- (i) Joint Ventureur
 - The Tata Power Company Limited (TPCL)
 - Power Grid Corporation of India Limited (PGCIL)
- (ii) Subsidiary of Joint Ventureur
 - Tata Power Delhi Distribution Limited (TPDDL)
 - Central Transmission Utility of India Limited (CTUIL)
 - TP Renewable Microgrid Limited (TPRMG)
 - TP Jalpara Kharija Power Transmission Limited (TPJKPTL)
 - Tata Power Renewable Energy Limited (TPREL)
- (iii) Promoters holding more than 20% in controlling entities with its subsidiary
 - Tata Sons Private Limited
 - President of India represented through Ministry of Power
- (iv) Key Management Personnel
 - Vishwas Srivastava- Chief Executive Officer & Executive Director
 - Ajay Kalsie -Company Secretary
 - Avinash Chander Dhawan -Chief Financial Officer
- (v) Others- Post employment benefit plan
 - Powerlinks Transmission Limited Group Gratuity Cum Life Assurance Scheme
 - Powerlinks Transmission Limited Group Superannuation Cum Life Assurance Scheme

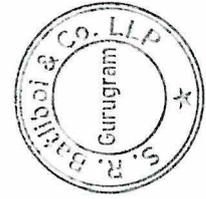
b. Transactions/balances outstanding with Related Parties

| S. No. | Particulars | Joint Ventureur | | | | | Subsidiary of Joint Ventureur | | | | | Key Management Personnel (KMP) | | | Others- Post employment benefit plan | | | Sub total | Total |
|------------------------------|---|-----------------|---------|-----------|--------------------------|-------|-------------------------------|--------|-------|-----------|--|--|-----------|--|--|-----------|------------|--------------------------|-------|
| | | (TPCL) | (PGCIL) | Sub total | CTUIL (refer note 34) | TPDDL | TPREL | TPJKPL | TPRMG | Sub total | Powerlinks Transmission Limited Group Gratuity Cum Life Assurance Scheme | Powerlinks Transmission Limited Group Superannuation Cum Life Assurance Scheme | Sub total | Powerlinks Transmission Limited Group Gratuity Cum Life Assurance Scheme | Powerlinks Transmission Limited Group Superannuation Cum Life Assurance Scheme | Sub total | | | |
| | | | | | | | | | | | | | | | | | (INR lacs) | | |
| Transactions during the year | | | | | | | | | | | | | | | | | | | |
| 1 | Transmission service charges | - | (-) | - | 12,045.04 (12,474.38) | (-) | (-) | (-) | - | - | - | - | - | - | - | - | - | 12,045.04 (12,474.38) | |
| 2 | Incentive on transmission service charges | - | (-) | - | 173.47 (172.50) | (-) | (-) | (-) | - | - | - | - | - | - | - | - | - | 173.47 (172.50) | |
| 3 | Way leave charges income | - | (-) | - | 95.57 (95.83) | (-) | (-) | (-) | - | - | - | - | - | - | - | - | - | 95.57 (95.83) | |
| 4 | Surcharge | - | (-) | - | 43.88 (85.16) | (-) | (-) | (-) | - | - | - | - | - | - | - | - | - | 43.88 (85.16) | |
| 5 | Managerial remuneration (see note 1 & note 2 below) | - | (-) | - | - | (-) | (-) | (-) | - | - | - | - | - | - | - | - | - | 317.19 (343.98) | |



| S. No. | Particulars | Joint Venturer | | Subsidiary of Joint Venturer | | | | Key Management Personnel (KMP) | | | | Others- Post employment benefit plan | | | INR lacs |
|--------|--|----------------|-------------|------------------------------|-----------------------|-------|--------|--------------------------------|-----------|---------------------------------|---|--|-----------|-------|------------|
| | | (TPCL) | (PGCIL) | Sub total | CTUIL (refer note 34) | TPREL | TPJKPL | TPRMG | Sub total | Powerlinks Transmission Limited | Powerlinks Limited Group Gratuity Cum Life Assurance Scheme | Powerlinks Transmission Limited Group Superannuation Cum Life Assurance Scheme | Sub total | Total | |
| 15 | Share capital | | | | | | | | | | | | | | |
| | As at 31.03.2025 | 23,868.00 | 22,932.00 | 46,800.00 | - | - | - | - | - | - | - | - | - | - | - |
| | (As at 31.03.2024) | (23,868.00) | (22,932.00) | (46,800.00) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| 16 | Trade payables | | | | | | | | | | | | | | |
| | As at 31.03.2025 | 91.65 | 8.57 | 100.22 | - | 1.18 | - | 1.18 | - | - | - | - | - | 1.06 | 102.46 |
| | (As at 31.03.2024) | (52.28) | (9.94) | (62.22) | (-) | - | (-) | (-) | (-) | (-) | (-) | (-) | (-) | -1.28 | (63.50) |
| 17 | Advance from customers | | | | | | | | | | | | | | |
| | As at 31.03.2025 | - | - | - | 74.15 | - | - | 74.15 | - | - | - | - | - | - | 74.15 |
| | (As at 31.03.2024) | (-) | (-) | (-) | (74.15) | (-) | (-) | (74.15) | (-) | (-) | (-) | (-) | (-) | (-) | (74.15) |
| 18 | Trade receivables | | | | | | | | | | | | | | |
| | As at 31.03.2025 | - | - | - | 2,909.17 | - | - | 2,909.17 | - | - | - | - | - | - | 2,909.17 |
| | (As at 31.03.2024) | (-) | (-) | (-) | (3,422.13) | (-) | (-) | (3,422.13) | (-) | (-) | (-) | (-) | (-) | (-) | (3,422.13) |
| 18 | Other receivables | | | | | | | | | | | | | | |
| | As at 31.03.2025 | 41.95 | - | 41.95 | - | - | 1.20 | 1.48 | - | - | - | - | - | - | 43.43 |
| | (As at 31.03.2024) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| 19 | System operation charges recoverable | | | | | | | | | | | | | | |
| | As at 31.03.2025 | - | - | - | 191.84 | - | - | 191.84 | - | - | - | - | - | - | 191.84 |
| | (As at 31.03.2024) | (-) | (-) | (-) | (115.91) | (-) | (-) | (115.91) | (-) | (-) | (-) | (-) | (-) | (-) | (115.91) |
| 20 | Inter Corporate Deposit by the Company (refer Note 4) | | | | | | | | | | | | | | |
| | As at 31.03.2025 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | (As at 31.03.2024) | (5,000.00) | (-) | (5,000.00) | - | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (5,000.00) |
| 21 | Interest on Inter Corporate Deposit by the Company (refer Note 21) | | | | | | | | | | | | | | |
| | As at 31.03.2025 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | (As at 31.03.2024) | (10.34) | (-) | (10.34) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (10.34) |

Balances outstanding as at the year end:



Powerlinks Transmission Limited
Notes to the financial statements for the period ended March 31, 2024

32 Financial instruments

32.1 Fair value measurement:

Amount in lacs

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

| | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value | Total fair value |
|--|------------------------|------------------------|------------------|----------------------|------------------|
| Assets: | | | | | |
| Service concession arrangement-Non Current | - | - | 72,622.16 | 72,622.16 | 72,622.16 |
| Other financial assets-Non Current | - | - | 36.93 | 36.93 | 36.93 |
| Cash and cash equivalents | - | - | 89.66 | 89.66 | 89.66 |
| Other bank balances | - | - | 2,586.23 | 2,586.23 | 2,586.23 |
| Investments | 6,942.50 | - | - | 6,942.50 | 6,942.50 |
| Trade receivables- Current | - | - | 1,400.74 | 1,400.74 | 1,400.74 |
| Trade receivables- Non Current | - | - | 960.01 | 960.01 | 960.01 |
| Service concession arrangement- Current | - | - | 1,859.30 | 1,859.30 | 1,859.30 |
| Other financial assets- Current | - | - | 309.56 | 309.56 | 309.56 |
| Total | 6,942.50 | - | 79,864.60 | 86,807.10 | 86,807.10 |
| Liabilities: | | | | | |
| Lease Liability-Non current | - | - | 800.10 | 800.10 | 800.10 |
| Trade payables | - | - | 583.78 | 583.78 | 583.78 |
| Other financial liabilities- Current | - | - | 22.90 | 22.90 | 22.90 |
| Lease Liability-Current | - | - | 752.91 | 752.91 | 752.91 |
| Total | - | - | 2,159.69 | 2,159.69 | 2,159.69 |

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

| | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value | Total fair value |
|--|------------------------|------------------------|------------------|----------------------|------------------|
| Assets: | | | | | |
| Service concession arrangement-Non Current | - | - | 72,947.49 | 72,947.49 | 72,947.49 |
| Other financial assets-Non Current | - | - | 36.86 | 36.86 | 36.86 |
| Cash and cash equivalents | - | - | 2,574.79 | 2,574.79 | 2,574.79 |
| Investments | 8,286.06 | - | - | 8,286.06 | 8,286.06 |
| Trade receivables- Current | - | - | 2,022.33 | 2,022.33 | 2,022.33 |
| Trade receivables- Non Current | - | - | 1,093.46 | 1,093.46 | 1,093.46 |
| Service concession arrangement- Current | - | - | 1,704.89 | 1,704.89 | 1,704.89 |
| Other financial assets- Current | - | - | 5,239.01 | 5,239.01 | 5,239.01 |
| Total | 8,286.06 | - | 85,618.83 | 93,904.89 | 93,904.89 |
| Liabilities: | | | | | |
| Lease Liability-Non current | - | - | 728.29 | 728.29 | 728.29 |
| Trade payables | - | - | 555.73 | 555.73 | 555.73 |
| Other financial liabilities- Current | - | - | 4.31 | 4.31 | 4.31 |
| Lease Liability-Current | - | - | 752.91 | 752.91 | 752.91 |
| Total | - | - | 2,041.24 | 2,041.24 | 2,041.24 |

The management of the Company consider that the carrying amount of the financial asset & financial liabilities at amortized cost approximate their fair value

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

32.2 The following table summarises financial assets and liabilities measured at fair value on a recurring basis:

| As at March 31, 2025 | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------|----------|-----------------|----------|-----------------|
| Financial assets: | | | | |
| Mutual fund Investment | - | 6,942.50 | - | 6,942.50 |
| Total | - | 6,942.50 | - | 6,942.50 |
| As at March 31, 2024 | | | | |
| Financial assets: | | | | |
| Mutual fund Investment | - | 8,286.06 | - | 8,286.06 |
| Total | - | 8,286.06 | - | 8,286.06 |



32.3 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholder through optimisation of debt and equity balance.

The Capital structure of the Company consists of net debt (external borrowings offset by cash and bank balances as detailed in notes 11) and total equity of the Company.

The management reviews the capital structure of the Company on a quarterly basis. As part of this review, the management considers cost of capital and the risks associated with each class of capital. The Company monitors capital using gearing ratio, which is net debt divided by total equity. The Company's policy is to keep the gearing ratio between 0% and 20%.

32.4 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

| | (All amounts in Rs. Lacs) | |
|------------------------------|---------------------------|--------------------------|
| | As at 31st March 2025 | As at 31st March 2024 |
| Debt (i) | - | - |
| Cash and bank balances (ii) | (2,675.89) | (2,577.81) |
| Net debt | (2,675.89) | (2,577.81) |
| Total Equity | 88,683.55 | 96,978.99 |
| Net debt to equity ratio (%) | - | - |

Note

(i) Debt is defined as long term and short term borrowings

(ii) Cash and bank balances is defined as cash and cash equivalents and bank balances other than cash and cash equivalents as described in note 11.

(iii) The Company has no external borrowing as on 31 March 2025 therefore gearing ratio is zero.

32.5 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including interest rate risk and price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised below.

(i) Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. Market risk comprises of three types of risk - currency risk, interest rate risk and equity price risk. The Company's activities expose it primarily to price risk [see note (ia) below]. Company do not have any currency risk as there is no currency other than reporting currency involved. Since the Company does not have borrowing hence there is no risk to the company on account of fluctuation of interest rate. Financial instruments affected by market risk are FVTPL investments.



POWERLINKS TRANSMISSION LIMITED
Notes to the financial statements for the year ended March 31, 2025

(ia) Price risk:

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net assets value (NAV) of the financial instruments held.

The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such investments.

The carrying amount of the Company's investments designated as at fair value through profit or loss at the end of the reporting period are as follows:

| Particulars | As at 31st March 2025 INR Laacs | As at 31st March 2024 INR Laacs |
|-----------------------------|---------------------------------------|---------------------------------------|
| Investments in mutual funds | 6,942.50 | 8,286.06 |

Price Sensitivity

For the year ended 31 March, 2025 and 31 March, 2024, every 0.50 percentage increase / decrease in the NAV of investments, will affect the Company's profit before tax by Rs 34.72 laacs and Rs 41.43 laacs, respectively.

(ii) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company had entered into a Transmission Agreement (Refer Note 3) with POWERGRID, whereby the Company earns revenue significantly from one customer, i.e. POWERGRID. In respect of trade and other receivables and other non current assets, there are no indicators as at the year end that defaults in payment obligation will occur.

(iii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows. The Company generates sufficient cash flows from current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term. Below note sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

| Expected maturities for financial liabilities | 0-1 year | 1-5 years | 5+ years | Total |
|---|-----------------|---------------|-----------------|-----------------|
| 31 March, 2025 | | | | |
| Lease Liability | 752.91 | 304.03 | 1,202.18 | 2,259.12 |
| Trade payables | 504.23 | 79.55 | - | 583.78 |
| Other financial liabilities | 22.90 | - | - | 22.90 |
| Total | 1,280.04 | 383.58 | 1,202.18 | 2,865.80 |
| 31 March, 2024 | | | | |
| Lease Liability | 752.91 | 304.03 | 1,202.18 | 2,259.12 |
| Trade payables | 440.03 | 115.70 | - | 555.73 |
| Other financial liabilities | 4.31 | - | - | 4.31 |
| Total | 1,197.25 | 419.73 | 1,202.18 | 2,819.16 |



33 Financial Ratios

| Sl No | Ratios | Numerator | Denominator | As at 31st March, 2025 | As at 31st March, 2024 | % of Variance | Reason for Variance |
|-------|----------------------------------|---|--|------------------------|------------------------|---------------|--|
| a) | Current Ratio | Current Assets | Current Liabilities | 3.96 | 5.86 | -32% | Due to receipt of the ICD earlier given to TATA Power, Lower trade receivables due to recovery of Revenue on time and revision in O&M tariff regulations |
| b) | Return on equity ratio | Net Profit | Total Equity | 8.48% | 8.42% | 1% | |
| c) | Net Profit Ratio | Net Profit | Gross Sales | 64.80% | 64.81% | 0% | |
| d) | Trade payables turnover ratio | Average trade payable x number of days | Net credit purchases | 0.91 | 0.78 | 16% | Due to higher Capex payables as compared to previous year |
| e) | Trade receivables turnover ratio | Average Trade Receivables* | Gross Sales | 51.39 | 61.50 | -16% | Lower trade receivables due to recovery of Revenue on time |
| f) | Net capital turnover ratio | Net Sales | Working capital | 1.14 | 0.75 | 53% | Due to receipt of the ICD earlier given to Tata Power, Lower trade receivables |
| g) | Return on capital employed | Earning before interest and taxes | capital Employed | 9.59% | 9.22% | 4% | |
| h) | Return on investment | Interest Income+Income on Investment | Average Investment | 11.46% | 9.68% | 18% | Due to lower investments and corresponding impact on return as well |
| i) | Debt Equity Ratio | Total Debt | Total Equity | Not Applicable | | | |
| j) | Debt service coverage ratio | Profit before exceptional items & tax + interest expenses + depreciation & amortisation - current tax expense | Interest expense + scheduled principal repayment of long-term debt and lease liabilities during the year | Not Applicable | | | |
| k) | Inventory Turnover Ratio | Average Inventories | Cost of goods sold | Not Applicable | | | |

* Only current portion of Trade receivables has been considered for the calculation of Trade Receivables Ratio



34 The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

35 Other Statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) (other than subsidiaries) with the understanding
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) (other than subsidiaries) with the
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

36 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

37 Previous year's figures have been regrouped/reclassified, wherever necessary to confirm current year's classification. Such reclassification did not have any material impact on the current year financial statements.

38 The Company has used SAP accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature was not enabled at the database level when using certain access rights during the period April 1, 2024 to October 17, 2024. However stringent control procedures were implemented to effectively restrict direct changes to data during this period. These procedures included thorough reviews of logs and reconciliation of datasets and during the financial year no direct changes were made that impacted financial records. Post October 17, 2024, the audit trail feature is enabled at the database level. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

39 Approval of Financial Statements

The Financial Statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on April 16, 2025

As per our report of even date

For S.R.Batilbhai & Co. LLP
Chartered Accountants
Firm Registration No-301003E/E300005



per Nikhil Gupta
Partner
Membership No: 517577
Place: Noida
Date: 16 April 2025



For and on behalf of the Board of Directors



Manju Gupta

Director
DIN: 08820741
Place: Noida



Avinash Chander Dhawan
Chief Financial Officer

Place: Noida
Date: 16 April 2025



Vishwas Surange
Chief Executive Officer
& Executive Director

DIN: 10356760
Place: Noida



Ajay Kalsie
Company Secretary
Membership No: 13810
Place: Noida
Date: 16 April 2025

